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making greater demands upon both the land and the peasant. Since 311
his profits tended to be in direct proportion to the area he was able to lease, there was a marked inclination to build up vast agricultural trusts, some of which covered more than 100,000 hectares. Although ultimately the large tenant was a consequence rather than a cause of the agrarian problem, he was the focus of hatred and abuse: hated by the peasants because he dealt directly with them, verbally abused by the landowner-politicians who made him their scapegoat. Certainly some of the more spectacular injustices and preposterous labor contracts can be found on lands operated by tenants.

This speculative interest on the part of the tenant in acquiring 566
more land contributed to a rapid rise in rents. Between 1870 and 423
1906 rents mounted between 100 and 200 per cent for a third of the 175
properties and over 200 per cent for another third. The peasants 241
consequently were obliged to pay more dearly for the use of land. In 1870 they generally retained from two to four parts of the produce of rented land and delivered one part to the landowner or large tenant; by 1906 in over half the cases studied in an investigation, the ratio was one to one.[21]

The rise in the value of land was not accompanied by an equivalent improvement in agricultural techniques. Most of the peasants were both inexperienced in the careful cultivation of small holdings and financially unable to improve their methods, and the large landowners and tenants had little incentive. By the working of the 1864 reform the peasants remained attached to their strip of land, lacking even the free mobility of the farm laborer. They continued to own most of the means of production: over 90 per cent of the draft animals, ploughs, and harrows in Rumania belonged to the peasants.

Under these conditions the distinction between large-scale and small-scale farming was blurred, and it was characteristic of the latifundiary cultivation prevailing in Rumania that the size of an undertaking was not determined by an organized integration of the productive factors of a given area but was rather the arithmetical sum of a large number of peasant cultivations. The peasant, in return for a piece of land, contracted either to cultivate another piece of land for the proprietor or tenant or to share the produce in a form of metayage. Money payments were uncommon except in Moldavia.[22]

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[21] Creangă, *op. cit.*, II, 18–22.

[22] It must be observed, however, that while the great estates did not, in most cases, utilise progressive farming methods, the output of the large farms was consistently higher than that of the peasant holdings. The reasons for this difference have been the occasion of much dispute. Supporters of large-scale cultivation have held that despite

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more marked in the plains than in the mountains. However, the evolution of the two categories of peasant households—those which had received land under the reform and those which had not—was quite different. Holdings which had been either created or supplemented by allotments under the agrarian reform had a much lower resistance to the process of fragmentation of land than the nonallotted holdings; sale of holdings was more frequent among peasants who had received land by the reform.[28] The conclusion is that the agrarian reforms had not established the new properties on a firm basis, which would enable the poor peasant to maintain himself, and had only temporarily checked a tendency toward inequality in the village. 911

In general, the unequal distribution of land, as a purely economic factor, was not the primary cause for the agrarian difficulties of the interwar period. For a more complete explanation of these difficulties it is necessary to turn to the question of agricultural productivity and the relations of agriculture to the whole of the Rumanian economy.

Agricultural Production[29]

During the interwar years Rumanian agriculture was still largely devoted to the cultivation of cereal crops, which in 1938 occupied 82.1 per cent of the total arable surface:[30] 24!

	In 1,000 hectares	*Per cent of arable*
Total arable	13,873.8	100.0
Cereals	11,387.3	82.1
Wheat	3,926.9	28.3
Maize	5,033.6	36.3
Barley	1,250.8	9.0
Oats	648.7	4.7
Rye	473.3	3.4
Alimentary plants	494.3	3.6
Industrial plants	487.6	3.5
Forage crops	734.3	5.3
Fallow	770.3	5.6

A slight shift in emphasis occurred during this period; the percentage of arable land under cereals dropped from 87 to 82 per cent, although the area under the principal grains, wheat and maize, increased. Certain industrial plants, such as sunflower and soybean, showed a rapid rate of growth, especially in the second half of the 1930's, but they represented a very small percentage of the total acreage.

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[28] *60 Sate românești*, II, 33, 41.

[29] Statistical material supporting and illustrating the conclusions of this section is included in the Appendix.

[30] *Statistica agricolă a României în 1938*, p. 2.

Considerable regional variations corresponded to differences in soil and terrain. Cereal cultivation was most widespread in the Old Kingdom and Bessarabia, especially in the plains of the Siret, Prut, and Danube rivers, and in Dobrogea; it was of much less importance in the Carpathian regions, Transylvania and Bucovina. In a few districts, of which the most notable was Ţara Bârsei in southeastern Transylvania, the peasants carried on an intensive cultivation and had a standard of production well above the average for the country.

In the village investigations of 1938 it was discovered that cereal cultivation was predominant in all categories of holdings. It was most extensive in properties between 5 and 25 hectares, but even on dwarf holdings of under one hectare more than half the land was devoted to cereals.

With respect to the general volume of production, maize, which the peasants preferred to cultivate and which formed the major element in their diet, rose above the pre-1914 level, but wheat, which had been grown principally by large cultivators, never achieved the prewar level. Exports of both wheat and maize declined greatly below the prewar level.

PRODUCTION AND EXPORT OF CEREALS, 1909–39 [31]

(1909–13 production and export = 100)

[439]

	Wheat		*Maize*	
	Production	*Export*	*Production*	*Export*
1909–13 (1919 boundaries)	100	100	100	100
1928–32	67.7	15.9	104.1	58.1
1933–37	70.5	19.3	101.7	42.8
1935–39	88.7	39.8	108.8	82.5

The slump in cereal production was primarily the result of low yield per hectare, since by 1924 the area under cultivation had recovered from the immediate postwar decline and surpassed the average area cultivated between 1909 and 1913.

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[31] U.S. Department of Agriculture, "Wartime Agricultural Surpluses of the Danube Basin," *Foreign Agriculture*, *4*, No. 12 (December, 1940), 712.

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INDEX OF AREA, YIELD, AND PRODUCTION OF CEREALS[32] 241

(1909–13 = 100) 311

[433]

	1909–13	1920	1922	1924	1925	1926	1933–37
Area	100	84.4	94.5	101.2	103.5	102.8	114.3
Yield	100	86.7	77.5	60.0	71.7	99.2	81.7
Production	100	72.9	73.6	60.6	74.6	101.6	93.1

In the discussion of overpopulation it was seen that the productivity per hectare in Rumania was exceedingly low. For the four-year period 1928–32 the Rumanian wheat yield was below that of any Balkan state except Greece, averaging 9.5 quintals per hectare, as contrasted with a French yield of 14.8 and a Danish yield of 29.4 quintals per hectare during the same years. Although the Rumanian peasant has been more successful with maize, his output of that grain is also very low. This low rate of yield has been the most striking symptom of the unhealthy condition of Rumanian agriculture. The records of the past half century give little evidence of improvement, and there has been a noticeable decline in comparison with the pre-1914 figures.

Technical and material factors provide an immediate explanation for Rumania's poor output, but beyond these are more general causes which inhibit the improvement of agriculture and the introduction of more efficient techniques. On the whole, physical conditions in Rumania do not prevent a satisfactory agriculture. The hilly regions are somewhat deficient in humus but the soil of the plains is unusually fertile. The plains are exposed to extremes of rainfall and temperature, and the irregularity of the rainfall, the most serious threat to crops, is conducive to a wide fluctuation in output. Nevertheless, these conditions would present no serious obstacle to an increase in production if farming methods were adapted to the soil and climate.[33]

The principal material reasons for the low productivity are the extremely limited use of manure and fertilizers, absence of which is causing gradual depletion of the soil, even in the best plains regions; the lack of moisture-conserving measures; a primitive crop-rotation system; the low quality of livestock; backward techniques of cultivation and the shortage of agricultural equipment; and the prevalence of strip farming. The two last points require additional explanation.

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[32] League of Nations, *Agricultural Production in Continental Europe* (1943), p. 73.
[33] U.S. Department of Agriculture, *op. cit.*, p. 715.

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The low level of productivity is clearly a function of the investment in agricultural inventory, which is exceptionally small in Rumania:[34]

	Value of agricultural inventory in lei/hectare	*Average production of wheat in kilograms/hectare*
Rumania	1,000	860
Bulgaria	2,000	1,320
Poland	3,000	1,440
Germany	15,000	2,070
Switzerland	42,000	2,250

While there is a great dearth of investment in agricultural equipment, there is also an overinvestment in certain items because of the large number of small holdings, each with its primitive inventory. According to the 1941 census on agricultural equipment—the first adequate estimate—though there was less than one plough to every two exploitations, there was one plough for every seven hectares of arable land. But since one plough was capable, according to Rumanian estimates, of turning over fifteen hectares, there were about twice as many ploughs as were necessary in terms of technical requirements.[35]

The division of agricultural exploitations into numerous small plots or strips is, of course, intimately related to the question of agrarian reform and to the pressure of population, although strip farming was prevalent before 1918. The agrarian reforms contributed to its extension, not only because they omitted any provisions for consolidation, but also because the land of the expropriated estates was usually divided into a number of small, narrow strips of land of from ½ to 5 hectares, which were given either to landless peasants or to those with inadequate holdings. These strips were often several kilometers away from the peasant's village or his other holdings. In 1941 the average area of all exploitations was 4.5 hectares, with an average of 5 plots per exploitation. Frequently these plots

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[34] Madgearu, *op. cit.*, p. 69.

[35] Census of agricultural equipment, 1941 (*Recensământul agricol din 1941*, p. 56):

	Number	*Number per 100 exploitations*	*Number per 100 hectares arable land*
Ploughs	1,083,018	48.0	14.5
Harrows	752,063	33.3	10.0
Seed drills	58,589	2.6	0.8
Reapers	39,345	1.7	0.5
Tractors	8,416	0.4	0.1
Carts	1,191,254	52.7	15.7

of less than one hectare were several hundred meters long and only 241
5 to 10 meters wide. The strips were at a great distance from one 311
another, some authorities estimating the average distance to be from 4 to 7 kilometers.[36] The division of farming units into such small strips is obviously an impediment to any rationalization of agriculture.

Primitive techniques and irrational organization of holdings, while directly responsible for low productivity, are really manifestations rather than causes of the stagnation of Rumanian agriculture. What has inhibited the introduction of technical and organizational improvements? Poverty and "lack of capital" merely describe the situation; they do not explain it. Nor can this stagnation be ascribed to the natural inertia of a primitive agricultural society: the Rumanian economy has been in the midst of a dynamic process of change for over a century.

The fall in yield after the agrarian reforms of 1918–21 naturally raised the question whether the expropriation of the large estates was responsible for the critical state of Rumanian farming. This question is likely to be misleading if it is reduced to a comparison of the theoretical merits of large scale and peasant agriculture. Criticism that the agrarian reforms are responsible for the decline in agricultural productivity is apt to assume that the pre-1914 estates were well-organized large farms, whereas for the most part they were latifundiary cultivations, farmed out to the peasants who cultivated them with their own animals and equipment.[37] To be sure, some of the large farms were relatively well managed (although the yield even on the big estates was low in comparison with western European standards), and it may be that certain other controls employed by the large farms—notably the selection of seed and the regulation of the date at which sowing should begin [38]—were sufficient to account for the higher yield of the large properties. During the interwar years, as before 1914, large farms continued to have a higher cereal

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[36] M. Gormsen, *op. cit.*, p. 15.

[37] For example, the U.S. Department of Agriculture, in a study of Rumanian agriculture, cites the great annual fluctuation in the wheat yield, a result of the variation in rainfall, as an example of the inability of the small peasant to take appropriate moisture conservation measures. "Managers of the large estates knew how to overcome this handicap to a considerable extent." U.S. Dept. of Agriculture, *op. cit.*, p. 715. A comparison of pre-1914 yields, however, indicates that while the yield of large properties was higher than that of small properties, the fluctuation in yield was practically the same for both categories. Cf. Mitrany, *op. cit.*, p. 271. [113]

[38] Doreen Warriner, *The Economics of Peasant Farming* (Oxford University Press, 1939), p. 153.

241 yield than the small peasant holdings,[39] though there appear to be
311 no satisfactory statistics on this point.

On the other hand, defenders of the agrarian reform and small peasant properties have tended to assume that the Rumanian small holder was on his way to becoming an independent peasant proprietor, a doubtful assumption in view of the prevalence of dwarf holdings and the continued excessive cultivation of cereals. In 1937 G. Ionescu-Sișești and N. Cornățeanu upheld the reform and peasant farming on the following grounds:

The reform was an economic necessity under the conditions of devastation after the First World War; it was only by giving land to the peasants that they were induced to make the great effort necessary for agricultural recovery. Peasant farming became more intensive and less devoted to cereal cultivation. The peasant was better able to withstand agricultural crises, largely because the large farmer lacked his ability to reduce expenses and increase family labor. Finally, peasant agriculture should not be judged in terms of its contribution to the national income but by its ability to "assure the existence of the greatest possible number of citizens." It is therefore erroneous to "establish a comparison between peasant agriculture and the system of large property." [40]

311 The necessity of the agrarian reforms need not be argued, although
185 they could be defined more convincingly as a social than as an economic imperative (i.e., the peasants would have refused to continue to work under the old system). It may also be true that peasant farming cannot be judged by narrow profit-and-loss accounting methods, since it is a manner of living as well as a form of livelihood. But Sișești's and Cornățeanu's supporting arguments do not appear relevant to the actual Rumanian situation. There is no indication that peasant cultivation did become to any significant degree more intensive and varied. The examples they give, taken from a survey of a number of farms between 1930 and 1934, to illustrate the viability of peasant farming are not representative but comprise farms well above the average size for Rumania. Hence the real problem of dwarf holdings is avoided. The argument that small holdings are more resistant to crises because the peasant is able to restrict his consumption and increase family labor is not altogether reassuring in face of the growing pressure of population, regardless of its dubi-

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[39] M. Gormsen, *op. cit.*, p. 46.

113 [40] G. Ionescu-Sișești and N. Cornățeanu, *La Réforme agraire en Roumanie et ses conséquences* (Bucarest, 1937), pp. 42–53.

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Rumania and undoubtedly served to maintain agriculture in a depressed condition.[7] These, however, are general tendencies which, in theory at least, should adjust themselves in time; in the long run, and on the assumption of mobility in the factors of production, an equilibrium should be reached between agriculture and industry. But apart from such general factors, did the specific form of the development of Rumanian industry work to the disadvantage of agriculture? 433 178

A Yugoslav rural health worker, in describing the relations between town and country in the Balkans, concluded that agriculture was losing in the exchange of goods:[8] 438 433 241 ●

> A survey undertaken in several rural countries on the nutritional status of the population showed that there exists undernourishment among a large number of the rural population, and that agricultural products are exported from rural countries without consideration of the nutritional requirements of the people. The reasons are purely commercial. The industrial products imported into the rural countries in exchange serve merely the urban population and industrial establishments from which the farming population derives comparatively small benefit. To cover their money requirements, the farmers owning small holdings are usually compelled to sell the best products of their farms to the town people. Thus they are helping the cities and industries, themselves remaining far in the rear in regard to sanitation, housing, health, and general education.

The Rumanian economist Manoilescu undertook to demonstrate that in the Rumanian trade triangle between countryside, town, and foreign market, the countryside received far less in the way of goods

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[7] Madgearu, *op. cit.*, p. 80:

(1929 prices = 100)

	Price of agricultural products	*Price of industrial products used by agriculture*	*Relation*
1929	100.0	100.0	100.0
1930	68.2	98.0	69.6
1931	50.8	86.6	58.7
1932	47.7	80.9	59.0
1933	44.9	81.1	55.4
1934	44.1	82.6	53.4
1935	48.4	90.2	53.7
1936	54.0	95.4	56.6
1937	64.6	101.8	63.9
1938	67.1	99.2	67.6
1939	72.7	112.5	64.6

[8] Andreya Stampar, "Observations of a Rural Health Worker," quoted in *International Journal of Agrarian Affairs, 1,* No. 1 (October, 1939), 71.

438 and services than it gave, the difference being gained by the towns.[9]
433 According to these views, trade relations were actually detrimental
●241 to the rural areas, which were being drained by the towns and industries.

It is not necessary here to discuss the theoretical question whether there is any absolute disadvantage to the countryside in its commerce with the towns. If during a period of change toward industrialization the countryside's position declines in relation to the town, it is quite possible for a number of other factors—which may be "short term" or even noneconomic—to convert this relative disadvantage into an absolute loss in income. Such factors may include the inelasticity of agricultural supply, the immobility of agricultural labor, and the increase in agricultural population. Finally, governmental and political policies may favor industry at the expense of agriculture. This last point requires further elucidation, as it was quite important in
651 Rumania.

433 Rumanian industry was created in the shelter of high protective tariffs, which undoubtedly served to increase the costs of agriculture and to benefit industry at its expense. These tariffs have been justified by the "infant industries" argument, and in part they were brought about by the agricultural protectionist policy of the European industrial states. But the combination of protectionism and the development of cartels did give industry a monopolistic position in the internal Rumanian market which worked to the disadvantage of agriculture. In addition to tariff protection, Rumania had a long tradition of direct encouragements to industry—such as exemptions from taxation and special transport rates—which persisted in the interwar period and were expanded in the 1930's.

433 The protective tariffs, by restricting foreign imports, had the
651 effect of bringing in foreign capital for investment in local industry.
457 But while foreign capital has been of great importance in the development of Rumania's larger industries and in the creation of its transportation system, the effect on the total economy has been somewhat one-sided, partly because the capital was naturally attracted to industries working for export: "Without depreciating the influence of foreign capital in stimulating industrialization, it is to be underlined that the benefits of invested foreign capital do not for the most part serve to create purchasing power in the national market

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[113] [9] M. Manoilescu, "Das wirtschaftliche und soziale Dreieck der Agrarstaaten: die Stadt, das Dorf, das Ausland," *Internationale Agrarrundschau*, No. 6 (Berlin, 1940), also cited in Hugo Böker, "Agriculture's Share in the National Income and the Agricultural Situation," *International Review of Agriculture, 32*, No. 1 (January, 1941), 22. For a discussion of M. Manoilescu's views, see below, pp. 193–197.

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capital. At least three-fourths of the personnel and two-thirds of the 665
boards of directors were to be Rumanians. Since the subsoil had been 656
nationalized under the constitution, all mines and oil wells were in the form of concessions which would ultimately revert without indemnity to the state, although existing enterprises were to be guaranteed their holdings for a period of fifty years. Because of its importance to the oil industry, the mining law created the greatest stir and the most complaint from foreign investors.

The Liberals' suspicion of foreign capital was not altogether 665
groundless; pre-1914 foreign investments in the Balkans, while of 241
vital importance to their development, were entangled in the play of power politics. In view of subsequent actions in other states and in Rumania itself, the 1924 laws must be considered as quite mild. But at the time they were regarded as inhospitable and evoked formal protests from abroad and lavish criticism at home. Essentially, however, the question was not whether the Liberals were justified in their suspicions nor whether the opposition was right in charging the Liberals with personal greed, but whether Rumania was in a position at that time to develop at the desired rate without the benefit of foreign capital. From the subsequent turn of events it would appear it was not. The limitation of foreign capital, together with the stringent monetary policy and the impediments to agriculture united in stifling the economy. When the People's party took office in 1926 it promised better relations with foreign capital, and when the Brătianus returned in 1927 their tone underwent a change. Foreign observers spoke of Vintilă Brătianu's more cooperative attitude, and *L'Économiste roumain*, his faithful echo, wrote hopefully of increased foreign interest in Rumanian enterprises.

4. AGRARIAN POLICY

The general economic program of the Liberals did not make for a constructive agrarian policy. Not only was agriculture relegated to second place in the attentions of the administration but several of the courses pursued were directly inimical to it. The encouragement of industry was at the expense of agriculture; the commercial and financial policy impeded the rehabilitation of farming after the war and the dislocations of the agrarian reform.

Of course, many of agriculture's woes were not the fault of the Liberal policy. As has been seen in the preceding chapter, the underlying sources of the agrarian problem are numerous and deep-rooted. Rumania, for all its natural resources, was a poor country and no government could have established a flourishing peasantry overnight.

665 Nevertheless it may be said that Liberal policy harmed rather than
● 241 aided agriculture. The more important question, however, is whether the sacrifices exacted from agriculture were more than balanced by benefits to the whole of the economy. Final judgment of Liberal economic policy must rest on this question, which will be examined presently.

Liberal neglect of Rumanian agriculture was criticized by Constantin Garoflid, Minister of Agriculture in the Averescu cabinet of 1926: "It is not normal that our country should possess a *Crédit Industriel*, while agriculture is deprived of a financial institution when its needs are at their greatest." [49] The limited supplies of capital were directed by the government and the banks into industrial channels where they were promised better returns. Indeed, facilities for agricultural credit were less than before the First World War.[50] The absence of credit, only in part a consequence of policy, drove the peasants to the usurers and into chronic indebtedness. The handling of payments and compensation for land transferred in the agrarian reforms served to drain money from the agricultural sector of the economy. Peasants were urged to make full payment as rapidly as possible, while the funds received were not devoted to the amortization of the long-term bonds owing to the expropriated landowners but became a source of revenue for the state.[51]

[651] A serious drag on agriculture was the tariff policy pursued by the Liberals. The import tariffs, especially the duties on agricultural implements and textiles, raised the operating costs of the peasant.[52] Even more crippling were the export duties which primarily affected agricultural products, the chief Rumanian export. On some occasions these duties equalled 50 per cent of the value of the product.[53] They were not only a heavy burden on agriculture but completely disorganized the grain trade. Since the smaller peasants were producing primarily for their own consumption, the export duties did not affect them directly, but as the tariffs were aimed at maintaining a low cost of living they affected those particular commodities which the small peasant did supply to the local market.

Against these disadvantages, the Liberal party offered very little

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49. *L'Économiste roumain, 2*, No. 5 (May, 1926), 160. During his short term in office Garoflid attempted to establish such an institution but was unable to put it into effect.

50. Mitrany, *The Land and the Peasant in Rumania*, p. 425.

51. *Ibid.*, p. 421.

52. The duty on ploughs was 20–30 per cent ad valorem, that on imported sacks was about 50 per cent.

53. Mitrany, *op. cit.*, p. 436.

665 241 in the way of concrete benefits. Liberal agrarian policy can be divided under two heads: measures taken in supplementing or amending the agrarian reforms and measures for the improvement of agriculture.

423 Of the land reforms, only that for Translyvania had provided for the expropriation of forest land. Article 132 of the 1923 Constitution approved the principle of expropriating forest land in the Old Kingdom, Bessarabia, and Bucovina for firewood and construction purposes. The law implementing this article was published on July 1, 1924. Where woodland was needed and was not available from state holdings, it could be expropriated from private owners leaving them a minimum of 100 hectares. Communal woodlands were to be created, the exploitation of which was to be under the control of the state.[54]

423 665 656 241 671 By the law of March 13, 1925, and the executive regulation of April 15, which abrogated Articles 120–124 of the 1921 law, the Liberals, to safeguard peasant holdings, considerably stiffened requirements for the sale and purchase of agricultural property. The state was given the right of preemption on lands received not only under the 1918–21 reforms but under earlier distributions of state domain. If this right were not exerted, purchases could be made only on the following conditions:

1. The purchaser was to be a Rumanian citizen, a cultivator of the land or a graduate of an agricultural school, and residing and working in the commune in which the holding was situated.
2. Holdings could be sold in minimum blocs of 2 hectares in the plains and 1 hectare in the hills.
3. Sales could be made only five years after their owner had received definite title to his property following full payment of its price.
4. The purchaser could not own more than 25 hectares of cultivated land, including the area to be purchased. Houses and gardens, up to one hectare, could not be mortgaged or sold; land up to 25 hectares could be mortgaged only to certain authorized institutions.

The detailed instructions in the accompanying administrative regulation made the act of sale quite complicated by requiring numerous forms, proofs of domicile, and evidence of proper ownership. While the Liberals did not make peasant land inalienable they did render the process of transfer slower and more difficult and extended the state's rights of preemption to a large proportion of peasant properties. This law was in harmony with the tight-laced spirit of the Liberals in 1924–25 and showed the same restrictive view of property as the mining law of 1924. Historically, the reversion toward inalien-

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[54] See Diaconescu, *Chestiunea ţărănească în România*, pp. 266–272, for analysis of the text of the law.

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423 665 656 241 671 ability was an aftermath of nearly all the land reform measures. It is characteristic of the liberalism of the Liberal party that it should have feared—though perhaps correctly—the consequences of free and uninhibited sales of land.[55]

665 241 The Liberals, in the law of April 14, 1925, instituted chambers of agriculture, modeled on the chambers of commerce, and united in a Union of Chambers of Agriculture. At first sight these organs appeared to have very important functions: to be the official representatives of agricultural interests, to give advice on agricultural legislation, to supervise agricultural schools, to collaborate with the administration in the application of laws, to improve livestock, to aid in the advancement of agricultural techniques, to prepare statistics, and to organize fairs. They were also to elect members to the senate.

Unhappily, the chambers accomplished very little. Their budgets depended upon the Ministry of Agriculture, and they were not supplied with sufficient funds to carry out the work delegated to them.[56] They were not even representative of the whole of the peasantry. Each chamber was composed of 17 elected members and 11 appointed functionaries. But since only proprietors with a minimum of 3 hectares of arable land, or tenants with 10 hectares were permitted to vote for members, a large percentage of the poor peasants was not represented at all.[57] (In 1930, 52 per cent of the peasant farms were of less than 3 hectares.) Worst of all, the chambers, with their right to elect senators, became hopelessly entangled in politics. Under the law creating them, the government could dissolve the chambers for serious irregularities or bad faith in the accomplishment of their legal work or for activities against the interests of the state. Inevitably, the chambers were repeatedly dissolved on any pretext for the purpose of facilitating the election of senators.

665 656 241 In May, 1928, the Liberals passed a law for the classification of cereals, designed to improve the quality of grain destined for export and to reduce the number of middlemen between producer and foreign consumer. There had been frequent complaints of the inferior quality of exported Rumanian grain and the presence of an excessive amount

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[55] In 1911 the Liberal program has spoken of the desirability of creating a medium property by natural selection, that is, by the purchase and sale of land. The 1924 law certainly represents a retreat from that position. On the other hand, as will be seen below, the National Peasants revised the 1925 law, for the purpose of permitting "natural selection," but with unfortunate results for the poorer peasants.

[56] F. E. Manoliou, *La Reconstruction économique et financière de la Roumanie et les partis politiques* (Paris, 1931), p. 159.

[57] Filip Chefner, "Camerile agricole în România," *M.A.B.: Bulletin du Bureau International Agraire, 2* (1926), 36.

of impurities. An improvement was undoubtedly desirable. Yet the 665
low quality of exported grain was but a symptom of the generally bad 656
condition of agriculture. Attacking the problem at the level of exports 241
was indicative of the Liberals' attitude. The opposition sharply criticized the law as missing the point: "We are not suffering from a commercial crisis," said Mihalache, "but from a crisis of production. The problem of production must be solved first." [58]

In July, 1928, shortly before the Liberals fell they passed a coöperative code which had little effect except to reorganize previous cooperative organizations and to increase the direct control of the state. On the whole, as has been mentioned, the cooperative movement was and remained weak and ineffectual. In 1923–24 the National Bank granted 600 millions of lei credit to the whole of the cooperative movement, whereas private bankers received 7,500 millions. [652]

A "battle for production" was inaugurated in 1928 by the Minister of Agriculture, Argetoianu, and in March an agricultural congress voted a resolution which is striking in its complete emphasis upon technical improvements: better seeds, more rational crop rotation, more fertilizers, the expansion of experimental stations. The resolution opposed a further extension of the area under wheat and recommended an effort to raise the output per hectare. In no case, however, did it penetrate to the level of agrarian reforms, as defined in the preceding chapter, but was wholly occupied with desiderata, which were simple enough to call for but very difficult to achieve.

These final efforts of 1928 were, however, of little import, as they were in large part a belated effort to meet the challenge of the opposition which was on the point of coming to power.

It is not easy to judge the successes and failures of the Liberals' economic policy. It seemed easier immediately after their defeat to see their errors and particularly their shortcomings in the agrarian question. But with the failure of subsequent administrations to improve agriculture or to provide a stable economy the nature of the Liberal failure becomes less obvious. Moreover, many of the economic practices of the Brătianus, regarded as heretical at the time, have become generalized not only in the Balkans but throughout Europe; state-supported industrialization has become a commonplace and has received a substantial body of theoretical justification. Yet with all these added qualifications, it may be concluded that the Liberal policy failed.

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[58] Quoted in Mitrany, *op. cit.*, p. 452.

665 firm the supposition that the principles of the Peasant party itself were unstable. The evolution traced here was to be carried even farther when the National Peasants came to power in 1928.

Economic and Agrarian Policy

[113] A fair illustration of the economic interests of the National Peasant government is to be found in Virgil Madgearu's little book, *Rumania's New Economic Policy,* published in 1930. Of the 63 pages of text, 14 are devoted to agriculture, 22 to the exploitation of state enterprises and the reform of the mining law, ten to foreign trade policy, and eleven to the improvement of transport. The fact that the booklet was published in England and designed for foreign readers merely underlines the preoccupation with affairs other than agricultural. As has been seen, this broadening of interests was the result of the pressing demands of financial, monetary, and commercial matters in 1928–30, but also of the internal trend away from a purely agrarian outlook.

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•241 The most striking feature of the agrarian policy of the National Peasant government was the things it neglected to do or even to consider doing. While the party's attitude toward further redistribution of land had become increasingly moderate, nevertheless in 1926 the program of the united party called for expropriation of properties over 100 hectares. Not a step was taken toward carrying out this measure. To be sure, many reasons militated against such a move. Agriculture was still in the process of readjustment from the previous reforms. Expropriation would undoubtedly have caused a political furor since the mere passage of time was serving to consolidate the previous reform, with all its shortcomings and abuses. Moreover, since the 1917 act was entered in the constitution, it could be modified only by a constitutional amendment, which was forbidden under a regency. Quite obviously, however, the National Peasant party by 1928 was not the radical agrarian movement which had attempted to introduce the reform bill under the Vaida government of 1920.

A second omission was the failure to take any active steps toward the consolidation of peasant strips, a measure which was virtually a precondition for any effective improvement of agriculture. Again, this would have been unsettling and peasant support for this particular reform was by no means certain.

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671 The only serious measure taken in connection with agricultural property relations was an act passed in 1929 which amended the Liberals' law of 1925 concerning the alienation of allotments obtained

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through the agrarian reforms.[45] The new law, which was designed to 665
facilitate the transfer of land and to further a "process of selection 241
among the peasant cultivators," abolished certain of the restrictions 671
and delays imposed by the Liberals and greatly simplified the procedure of sale, although maintaining safeguards to keep land in the hands of actual cultivators and limiting purchases to Rumanian citizens having not over 25 hectares of land.

The idea that a "process of selection" would enable peasants with 656
"superior competitive efficiency" to create prosperous holdings has 665
had considerable popularity not only in Rumania but in other east- 671
ern European states.[46] For such a process to have beneficial consequences, however, it is necessary, first, that superior efficiency on tiny holdings will actually result in sufficient capital accumulation to buy out less efficient peasants, and, second, that the peasants displaced in the process have some alternative means of employment. Otherwise the poorer peasants would be reduced to a landless proletariat and the land taken over by the wealthier peasants. Such seems to have been the effect of the National Peasants' law, although it was not the sole cause; the survey of sixty Rumanian villages made in 1938 reported that the law of 1929 had intensified the differentiation in the peasantry by building up the category of middle peasants on the one hand and of increasing the agricultural proletariat on the other.[47] It was this law perhaps more than any other single act which gave

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[45] See above, p. 125.

[46] Wilbert E. Moore, *Economic Demography of Eastern and Southern Europe*, [113]
p. 105, cites a Greek author (C. Evelpedis, *La Réforme agraire en Grèce*, Athens, 1926), as an advocate of this view. In Rumania the alienation of peasant property has had a tangled political history in which at one time or another almost all political parties have reversed their positions. Up to the 1918–21 reforms, official policy tended toward inalienability, whereas the older reformers, such as Dobrogeanu-Gherea and Garoflid, demanded alienation as a necessary step to creating an independent peasantry. The Liberals in 1911 came out for a "process of selection," but in 1925 they restricted the transfer of land. The Peasant party, on the contrary, in 1921 was for government control of all sales, whereas in 1929 it moved toward freer purchase. The Communists, it may be added, roundly condemned the National Peasants for their 1929 law, but Lenin, in his agrarian writings before the Russian revolution, was strongly for alienation. The Communist position is seen in Pătrășcanu's interpretation of the 1929 law: "From the point of view of opening a way for capitalism in the villages and of differentiation within the rural strata, the measure represented an advance in comparison with the past. But what was the cost of this progress? The land of the poorest and economically most feeble layers of the peasants quickly became the principal object, the prey on which urban banking capital and the village bourgeoisie threw themselves." Lucrețiu Pătrășcanu, *Sous trois dictatures* (Paris, 1946), p. 106.

[47] *60 Sate românești*, II, 6. The depression doubtless intensified this effect. During the 1946 famine in Moldavia the same thing occurred: peasants who had obtained land under the 1945 reform began to sell to the larger peasants at such a rate that the government was obliged to pass a law nullifying these sales.

regime. New institutions were set up to provide credit suitable to 452
agriculture's particular wants. It was hoped that these would stimulate the influx of foreign capital "to satisfy the needs of agricultural financing."[52] In its form the new law was better adjusted to the needs of agriculture, but the depression completely halted the desired flow of capital. It may be doubted if this law was of primary benefit to the poor peasant, who was of necessity a bad risk and whose impoverished condition prevented him from employing credit profitably.[53]

In addition to these financial measures, the National Peasants 241 ●
passed acts for the organization and reform of agricultural instruc- 656
tion intended to spread and popularize better agricultural techniques 665
and to prevent trained agriculturalists from being completely absorbed by the bureaucracy; a law of July, 1929, for the reclamation of the inundated region of the Danube; measures for leasing agricultural machinery to cultivators and developing seed selection stations; and a law to promote systematic colonization in areas of sparse population. These measures, while desirable in themselves, could be of only marginal benefit.

Although the National Peasants' concern with agriculture is shown by the fact that the budget of the Ministry of Agriculture in 1929 was double that of any of the preceding postwar years,[54] the general results are somewhat flat and uninspiring. According to Madgearu ten years later, the National Peasants, because of the difficult circumstances under which they had received the stabilization loan and because of the increasingly unfavorable international economic situation, had been unable to carry out all their financial plans but had been forced to limit themselves to certain priority tasks: assuring the liquidity of the National Bank's portfolio, liquidating the state's floating debt, reconstructing the railways, and making certain productive investments. "The necessary means were lacking to create an agricultural mortgage bank."[55]

Doubtless, financial difficulties and the lack of capital were important obstacles, and the depression washed away what might have been promising beginnings toward improvement in agricultural finan-

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52. Madgearu, *Rumania's New Economic Policy*, p. 9.

53. Manoliou, *op. cit.*, p. 242, was of the opinion that certain measures of inspection and control, included in the law to safeguard the credit societies, would have the effect of discouraging the small cultivator and diminishing his productive efforts.

54. According to Mitrany, *op. cit.*, p. 453, after the First World War the budget of the Ministry of Agriculture had not exceeded 33,500,000 gold lei until the advent of the National Peasants. In 1929 it reached the figure of 73,500,000 gold lei.

55. Madgearu, *Evoluţia economiei româneşti*, p. 306.

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241 cial organization. But the agrarian policy had other defects. In the
665 first place, the National Peasants fell into the old Rumanian fallacy
656 of counting too greatly upon an act of legislation to cure any problem.[56] Much more serious however was the fact that while the National Peasants had an agrarian policy it was scarcely a peasant policy. The measures actually taken were not of the kind that could greatly help the poor peasant. The modifications of the party programs between 1921 and 1926 foreshadowed this attitude, but even so the more far-reaching parts of the 1926 program were not carried out.

665 Measures intended to benefit agriculture were not, however, limited
241 to agricultural legislation. The new tariff policy inaugurated by the
652 National Peasants on August 1, 1929, was specifically designed to assist the farmer. The National Peasants had consistently attacked the Liberals' (and the People's party's) tariff policy, which was highly protectionist, raised the cost of agricultural equipment, and was "in its technical structure a feeble instrument of negotiation for securing markets for our export products."[57] The new tariff was, as Madgearu announced, based on the recommendations of the Geneva Conference of 1927. It created a more elastic customs system to permit commercial conventions with other states. Duties on goods were divided into two groups: 1) irreducible minimum duties for goods produced within the country and requiring protection; these could not be reduced through convention; 2) duties on all other articles, which could be reduced through mutual arrangement with other states. Even before signing any customs conventions the government reduced the duties on agricultural equipment.

In thus lowering the cost of imported agricultural equipment as well as in reducing tariffs on articles of mass consumption, the 1929 tariff undoubtedly benefited the peasant. As to the protection of industry, "it was in general calculated so as not to exceed the difference by which the conditions of local production were more difficult than conditions of foreign production, and only for branches of industry which had the possibility of sound development in the country."[58] The tariffs did not renounce industrial protection but tried

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[56] Note, for example, Madgearu's remark, "Up to 1929 agricultural instruction in Rumania was based on no uniform principle, nor was it adapted to the situation, since its organization was not based on legislation which could solve the problem as a whole." *Rumania's New Economic Policy*, p. 12. Clearly the real reasons for Rumania's lack of adequate agricultural education were not to be found in the absence of a uniform legal code.

[57] Madgearu, *ibid.*, p. 39.

[58] Madgearu, *Evoluția economiei românești*, p. 221.

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to protect only those industries showing "natural" promise of development 665
and to promote the necessary rationalization of those industries 241 ●
which had been permitted to become inefficient behind the Liberal 652
tariff.

Throughout Madgearu's exposition of the 1929 tariff there is an 457
evident desire to increase international cooperation and trade, and 665
an altogether friendly attitude toward the great capitalist powers— 652
an attitude quite different from Vintilă Brătianu's cautious and rather grudging admission of the need for increased trade and foreign capital. This attitude is most clearly shown in the laws of 1929 modifying [671]
the Liberal acts of 1924 on mines and the commercialization of state-owned enterprises.[59] The National Peasants criticized the 1924 laws as chauvinistic and failing to promote the exploitation of natural resources. "The aggressive nationalist policy exemplified in the Mining Act of 1924, which did so much harm to the country, bringing it into a state of financial and economic disorganization, could not continue without grave consequences for our economic future. A policy of sincere co-operation with international capital is the only means of improving the situation." [60] The new laws threw open the doors to foreign capital. With the exception of requiring that 75 per cent of the personnel (both administrative and subordinate) be Rumanians, no restrictions were placed on the percentage of foreign capital in the companies or upon the nationality of directors and chief officials.

These laws were in marked contrast not only to the attitude of the 652
Liberals but also to the policy recommended by Constantin Stere in 665
1921.[61] Stere, with his hostility to "vagabond capital" and the menace of imperialist great powers, opposed foreign capital investments in the Rumanian petroleum industry, since all profits passed beyond the frontiers. Nor was foreign capital concerned with satisfying the needs of the population but only with raking in a profit. He was, however, aware that without foreign capital the resources simply could not be developed. He disapproved of the Liberals' policy of "nationalizing" petroleum and creating concessions with a majority of Rumanian capital. Having no confidence in the Liberal plutocracy's willingness or ability to defend the nation's interests, Stere advocated state operation of the petroleum industry. Foreign capital

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[59] A detailed comparison of Liberal and National Peasant policy on this question, from a pro-Liberal position, is given by Alexandre G. Georgesco, *Le Régime juridique et financière des capitaux étrangers en Roumanie* (Paris, 1932).

[60] Madgearu, *Rumania's New Economic Policy*, p. 30.

[61] C. Stere, *Naţionalizarea Industriei de Petrol: Cuvântare rostită în şedinţa Adunării deputaţilor din 28 Martie 1921* (Bucarest, 1921).

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from 2 to 10 billion lei (in quantity from one million to 2.2 million 435 metric tons).

Two qualifications should be made however. The emphasis upon 85 wheat exports and upon the improvement of quality was primarily for the benefit of the middle and large producer, though the main- 439 tenance of the price of grain did help agriculture as a whole. In the second place, as has been mentioned in connection with the depression, the premiums on wheat served to extend the area under wheat cultivation, in direct contradiction to the recommendations of agricultural experts, who continued to believe that "peasant agriculture should no longer limit itself, in imitation of the old system, to the culture of cereals; its success will come from a parallel development of the resources of the field and of livestock raising."[35] This contradiction, which shows the absence of any real coherence to the agrarian program of the Liberal government, had two obvious sources: wheat, for all its decline after the First World War, was important commercially and from the point of view of foreign commerce there was a strong incentive to support it. Moreover, the wheat growers were the larger farmers and were in a better position to make felt their wishes than were the small maize-producing peasants.

The government did, however, make certain efforts to increase 241 the variety of agricultural production. The most elaborate was the 433 creation, with the assistance of I. G. Farbenindustrie, of the "Soya" 654 company, which was authorized to import soybeans, distribute them to cultivators, provide equipment, and purchase the entire crop for export to Germany. The area under this crop expanded rapidly, especially in Bessarabia: 1,465 hectares in 1934, 20,411 hectares in 1935, 58,037 hectares in 1936, and 102,000 hectares in 1937. The government through price guarantees and subsidies also furthered the cultivation of sugar beet, tobacco, rice, and textile plants.

These measures to diversify agriculture did not, despite all the publicity given to them, achieve very great importance. They were only a drop in the bucket compared with the vast area under peasant cereal cultivation, and their rate of expansion seemed unlikely to produce any general amelioration for a very long time. Moreover, the introduction of such industrial crops, whose main purpose—almost exclusively so in the case of soya—was for export, shows the persistent if natural effort to solve the agrarian question by a sort of legerdemain. The soybean had been an old favorite, and as early

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[35] G. Ionescu-Sişeşti and N. Cornăţeanu, *La Réforme agraire en Roumanie et ses conséquences*, p. 79.

● 241 as 1910 Dobrogeanu-Gherea had some harsh words to say of the
433 men who thought it could magically solve the deep-rooted ills of Ru-
654 manian agriculture.[36]

The Tătărescu government, following precedent, also reorganized agricultural credit and the cooperative system, set up more experimental stations, and devoted funds to the raising of better livestock and the purchase of tractors, but those measures seem to have been only of marginal benefit.

423 The government did try in the law of March, 1937, for the encouragement of agriculture to grapple with the problem of land tenure. It regulated the transfer and mortgage of rural lands and undertook to enforce the indivisibility of property as a means of preventing the progressive subdivision of peasant holdings. The effort was unsuccessful. The two-hectare minimum, which in any case was too small for a self-subsistent holding, was not observed; the prohibition extended only to properties obtained from the state or with the state's assistance. An attempt was also made to promote the consolidation of peasant properties, but this met with too great opposition in the chamber and was dropped.[37] The government also exerted its right of preemption on sales of agricultural land for the purpose of providing land for the peasants but its achievements were insignificant. Between April 1, 1934, and August 1, 1938, of the 326,200 hectares put on sale the government used its right of preemption on only 12,250 hectares, 3.8 per cent of the total.[38]

241 In brief, if the position of agriculture was somewhat better in the
654 years of the Tătărescu regime than in the depression it was largely
656 a consequence of general economic recovery. Agriculture did benefit from the protective measures applied and extended by the government, although part of these benefits was lost by the continued depreciation of the leu, and some efforts were made to raise the level of agriculture and diversify production. Nevertheless, the government's chief interest was industry and commerce and the principal benefits to agriculture were those which corresponded to this interest. The desperate problem of the millions of small peasants owning less than 3 hectares, unable to support themselves and their families, dividing their land into smaller and smaller fragments, suffering from pellagra —this problem was scarcely touched.

654 It must be said, however, that in the 1930's there was a notable

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511 [36] C. Dobrogeanu-Gherea, *Neoiobăgia*, p. 254.

[37] Valeriu Bulgariu, "Divizibilitatea proprietaţii ţărăneşti," *Problema agrară* (Bucarest, 1946), pp. 77–97.

[38] G. Ionescu-Sişeşti, "Le Nouvel Aspect du problème agraire en Roumanie," *Archives pour la science et la réforme sociales*, *16*, Nos. 1–4 (1948), 264.

manian peasant,[17] under his dictatorship the overriding concerns 668 were mobilizing agriculture for the war, compensating for the lost territories (though part of these were regained after 1941), and maintaining production against the drain on manpower and the requisitioning of equipment and livestock for military purposes. The majority of acts were specific war measures: price controls, export controls, laws against agricultural sabotage and speculation, control of livestock, state requisitioning of cereals, crop planning, and the mobilization of agricultural labor. Most of the measures had been initiated in Carol's reign under the trade agreement with Germany and the five-year plan for agriculture, but the war intensified them and put them on a directly military footing. By necessity there was an increase in the mobilization of agricultural labor. Field commandos and labor gangs were sent about the country under the supervision of gendarmes and rural agents of the Ministry of Agriculture.

An attempt was made to compensate for the shortage of manpower 439 and livestock by increasing agricultural equipment, largely through import from Germany. If the figures are to be trusted imports in 1941 and 1942 were quite extensive:[18]

	1941	*1942*
Tractors with ploughs	1,000	2,814
Animal-drawn ploughs	20,000	40,000
Sowing drills	4,000	1,400
Harvesters	2,000	2,230
Hoes	10,000	30,000
Harrows	4,000	9,200
Threshers	200	250

By a law of June 22, 1942, for the organization of agricultural 656 associations, the government attempted to overcome the disadvan- 241 tages of small strip farming by means reminiscent of the Iorga law of 1931. By this act a group of at least fifteen cultivators residing in the same commune could constitute an agricultural association, authorized to purchase farm machinery, seeds, fertilizers, etc., sell produce in common, purchase or lease land, and obtain credit. The association was not an independent body however. It was to be man-

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[17] According to an admiring German biography, Antonescu first attracted attention during the 1907 uprising when, as a young lieutenant, he succeeded, without firing a shot, in persuading a crowd of rebellious peasants to disband.

[18] Brief accounts of the measures undertaken up to 1943 are given by N. D. Cornăţeanu, "International Chronicle of Agriculture: Rumania," *International Review of Agriculture, 32* (Rome, July–August, 1941), 247E–254E; and *34* (April, 1943), 156E–164E.

156 aged by five trustees; the Ministry of Agriculture was to supervise
241 its business transactions, and technical and administrative control lay in the hands of the chief of the agricultural district. Members were obliged to conform to the requirements of the government crop plan. It was reported in 1944 that about 200 such associations had been established.[19]

This law did not really represent anything new in Rumania but was merely one of the various measures which had been applied from time to time to overcome the agrarian impasse. It represents, however, a somewhat different approach from that emphasized by either the National Peasants or the Carolist dictatorship. The National Peasants had placed greatest stress upon credit, cooperatives, and diversification of production, with a view to creating the small peasant on the Western model. The Carolist regime, in its activities of 1938 and 1939, was aiming at consolidation and the creation of middle properties. The law of 1942 was an attempt to improve the situation on the basis of existing circumstances, of utilizing in the most efficient way possible the uneconomic system of land holdings. To be sure, all the approaches overlapped somewhat, but in a way the 1942 act was a bridge to the agricultural policy of the post-1945 government.

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185 The Germans, for their own reasons, were anxious to develop Rumanian agriculture as part of the economy of the new order, although their estimate of what could be achieved in Rumanian agriculture was relatively modest. A wartime analysis by some German experts[20] presented a very dismal picture of Rumanian farming as of 1940. According to their report the principal difficulties lay in the low yield resulting from the small size of the majority of the holdings (they noted that most of the large properties were cultivated in metayage) and in the inadequacy of the transport system, both the general network and the village roads. They doubted whether agriculture itself

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[19] Otto von Franges, "Agricultural Labour Communities in South Eastern Europe," *International Review of Agriculture, 35* (January–February, 1944), 22E–32E. Von Franges was heartily in favor of these associations, of which similar types had been established in Bulgaria and Yugoslavia. In his opinion they corresponded to traditional labor associations of the Balkan peasants and showed an admirable balance between individualism and collectivism, between control and liberty. He sharply contrasted these associations with agricultural cooperatives. The latter, while having a useful function, were obliged to neglect the poorer peasant. The associations, he felt, were the only possible compensation for the fragmentation of peasant properties and the only means of obtaining a decent improvement of productivity until the slow process of consolidation could take place.

[20] H. L. Fensch and O. Thiel, *Rumänien, Untersuchung über die Betriebs- und Ernährungswirtschaftlichen Verhältnisse der Landwirtschaft.* (I have seen only a manuscript Rumanian translation of this study.)

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was in any position to remedy either of these defects. They had hopes, 311
however, that measures—such as those taken in 1942—of compensat- 185
ing for inefficient small holdings by means of common use of machines, purchase of seed, and organization of sale could bring some improvements. They believed that under existing circumstances it would be possible to increase agricultural production by 25 per cent over ten years and that some 40 per cent of the surplus of cereals and vegetables would be available for export to Germany.

The actual course of Rumanian agriculture during the war showed 433
no such progress. The area devoted to cereals fell appreciably be- 241
tween 1940 and 1943 because of the labor shortage, the decline in 185
livestock and equipment, and the price controls which held cereal prices well below industrial prices.[21] Yields fell off in the principal grains, maize and wheat. The total production of cereals dropped from a 1935–39 average of 75.7 million quintals (for the area as of January, 1941) to 61–64 million (38 million in 1942 following an exceptionally severe winter).[22] Because of war needs the area devoted to industrial and food crops increased, in most cases as the result of government support and crop plans. It was still very small, however, compared with that under cereals. In livestock the greatest reduction, as was to be expected, was in horses; cattle increased somewhat; sheep, goats, and pigs remained about the same.

The number of draft animals declined by one-third, though the most serious fall was between 1943 and the beginning of 1945; that is, at the time of the final military collapse when both German and Soviet troops were on Rumanian soil. There was a notable increase in the number of tractors (from 4,170 in 1940 to 8,340 in 1943 and 8,178 in 1945), although in the opinion of the Central Institute of Statistics it did not compensate for the decline in draft animals which were the only feasible form of traction on the small strip farms.[23]

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[21] Area devoted to cereals, 48 județe (area as of January, 1941):

	Millions of hectares
1935–39	7.4
1940	6.8
1941	6.6
1942	6.4
1943	6.6

Source: Institutul Central de Statistică, *Statistica agricolă a României în 1941–1944* (Bucarest, 1947), p. xiii.

[22] According to the Central Institute of Statistics, *ibid.*, p. xv, the recorded figures for production may have been well below the actual production because of extensive and often irregular army requisitioning; the wheat crop may have been underestimated by 20 per cent, the maize crop by 10 per cent.

[23] Institutul Central de Statistică, *Statistica agricolă a României, Vol. V, Inventarul agricol în Anul 1945* (Bucarest, 1947), p. 14.

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433 The inventory of other agricultural equipment was more or less sta-
241 ble or showed a slight decline.

185 For all the controls and economic collaboration with Germany the Antonescu dictatorship appears to have accomplished nothing for Rumanian agriculture. The relative improvement, at least in terms of total production, which had appeared after the depression was broken by the war. The position of peasant agriculture was clearly deteriorating, and the industrial boom, arising mainly from war demands, was not an adequate compensation.

Although pessimistic voices could be heard in the Carolist dictatorship, the official attitude was optimistic. During the war years, however, there was increasing concern over the manifest failure of Rumanian agriculture to show any improvement. The agricultural census, taken in the spring of 1941, provided ample evidence of the unsatisfactory situation of the peasant. The veteran agricultural economist, Ionescu-Sişeşti, who had been writing confident articles throughout the interwar period, was quite gloomy in 1943.

> It was anticipated that such a gigantic transformation of property [the 1918–21 reforms] would keep the peasant class in a state of equilibrium for a long time and that the country would benefit from a long period of prosperity because of the distribution of land to the peasants. Unhappily this hope has not been completely realized. Today, when all the claims of the peasants appear satisfied, and there is nothing left to distribute—since a minimum of large and medium property is indispensible—a new peasantry is appearing which threatens to take on a grave character if measures are not adopted in time. The very rapid growth of the population and the advanced fragmentation of properties are engendering this crisis.[24]

His recommendations, however, were largely a recapitulation of the various measures which had been legislated, if not applied with any consequence, in the 1930's: exerting the state's right of preemption, preventing subdivision of properties below a certain minimum, encouraging consolidation, and creating larger colonization holdings. If such steps were taken, he said, "the peasantry will be divided into two categories: on the one hand, peasant proprietors with holdings of an adequate size, on the other, a class of agricultural workers living on the product of their labor on the farms of others.[25] Ionescu-Sişeşti's hopes were not to be realized. Within a year and a

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[24] G. Ionescu-Sişeşti, "Le Nouvel Aspect du problème agraire en Roumanie," *Archives pour la science et la réforme sociales, 16,* Nos. 1–4 (1943), 263.

[25] *Ibid.*, p. 267.

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half the Communist party was in power and the last thing it wanted was such a "Stolypinist" situation in the countryside. 433 241 ●

From the point of view of dramatic unity, the Antonescu dictatorship would make a convenient terminal point for recent Rumanian history, as the last act of a rake's progress. With a state encompassing virtually all Rumanians, a new constitution, and an extensive land reform, Rumania had entered the interwar period full, it seemed, of high promise. The promise had not been fulfilled, democracy did not flourish, the peasantry remained poor but prolific. The constitutional regime was replaced by a royal dictatorship and then by the *Walpurgisnacht* of the Iron Guard. Finally, Rumania was swept into the war to join Hitler's crusade. History, however, is no respecter of dramatic unity but persists in its devious course. 185

000 ier peasants. As a matter of fact, both these contentions were true to a certain degree, as has been seen above in Chapter 3. But the Communists greatly exaggerated the extent both of large estates and of differentiation, and their statistical efforts to prove their point were either inaccurate or patently false.[35]

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The adoption of the Popular Front in 1935 led to a corresponding modification in the Communist agrarian policy. While ultimate aims of socialism were not renounced, a distinction was drawn between socialist reforms and reforms designed to restore democracy. The militant revolutionary note of the early pronouncements was dropped. The new policy appears in Lucreţiu Pătrăşcanu's study of the basic problems of Rumania, *Problemele de bază ale României*, written during the war but showing the influence of the Popular Front tactic. Pătrăşcanu was no proletarian but the son of a socialist intellectual and himself a lawyer. He was not Moscow-trained, and while his writings were based upon Lenin, they have a certain Western outlook. He led the Rumanian Communist party in 1944, was Minister of Justice in the coalition governments and in the Groza cabinet until the beginning of 1948. His influence in the party diminished steadily after the return of the comrades who had been in Moscow, and he was eventually discharged from his position because he had become "the exponent of bourgeois ideology and detached himself from the masses and from the ideology and principles of the working class."

Much of Pătrăşcanu's analysis of the Rumanian agrarian problem is sound and illuminating, although on many points of fact he obviously relied on the information compiled by the National Peasant economist Virgil Madgearu. He was fully aware, of course, of the unhealthy state of Rumanian agriculture, the persistence of extensive cereal cultivation and low level of productivity, the failure of the 1918–1921 land reforms to establish a prosperous peasantry, the persistence of metayage and other semiservitudes, the proletarization of the poorer peasantry, and the inability of a great number of Rumanian peasants to support themselves on their meager holdings. In trying, however, to adapt this promising material to perfect Marxist-Leninist categories he overtaxed the evidence; he exaggerated the failure of the 1918–1921 reforms to equalize land holdings, he probably gave too much importance to the differentiation between the poor and the rich peasants, and in attempting to demonstrate the prevalence of agricultural laborers he definitely mishandled his statistics.[36] 829 241

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[35] Two such examples are S. Timov, "Wird Rumänien agrarsiert oder industrialisiert?" *Agrarprobleme*, International Agrarinstitut Moskau, Band 2, Heft 2 (1929), pp. 310–346; and Tatarow, "Die Agrarkrise in Rumänien," *Agrarprobleme*, Band 4, Heft 2 (1931), pp. 44–80.

185 Pătrăşcanu was at his best in showing that the optimistic statements of official Rumanian spokesmen during the interwar years were altogether unjustified, and at his worst in reducing the agrarian question to an oversimplified formula. He was too intent upon proving that all difficulties could be laid at the door of Rumanian capitalism, with the support of the moribund but sinister boyar class. There is of course a certain amount of truth in this contention, but it served to distort his analysis. For example, "overpopulation" as a cause of economic misery was obviously unwelcome to him since it put the blame outside the realm of political economy and made it an act of God. He was correct in maintaining that Rumanian officialdom had all too eagerly seized upon overpopulation in recent years as a perfect scapegoat for the prolonged failure to improve agriculture, but it cannot be written off as an unimportant factor. Pătrăşcanu, however, felt obliged to attack it and devoted considerable attention to destroying the "myth" of overpopulation. He distinguished, quite properly, between absolute or biological overpopulation and an overpopulation resulting from economic circumstances. In his view there were three principal causes of this relative, or economic, overpopulation:

1) the existence of large properties, whereby 25,000 families held a quarter of the arable land, thus depriving hundreds of peasants of the possibility of creating a holding (according to the 1930 census 25,000 exploitations of over 50 hectares occupied only 18.8 per cent of the arable surface);

2) under semiservile conditions labor was intensively exploited; consequently one man was driven to accomplish the work on a piece of land which normally would provide a living for three;

3) the extensive use of women and children in place of men on boyar estates produced the appearance of overpopulation.

185 241 While these conditions, all of which he associated with the existence of large properties, doubtless had some effect—especially the first—they were certainly not the major reasons for Rumanian agrar-

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[36] Virgil Madgearu (*Evoluţia economiei româneşti*, p. 358), making use of some calculations of the agrarian economist Roman Cresin, stated that while small cultivators under 5 hectares had an excess of labor power, middle and large properties required additional labor, evaluated at 190 million days a year. Of this, 40 per cent (around 871,300) was undertaken by paid agricultural laborers, and 60 per cent represented supplementary work performed by the families of small proprietors. Pătrăşcanu, however (*op. cit.*, p. 85), took this figure of 40 per cent of paid agricultural laborers, equated it with the fact that 40 per cent of the arable land in Rumania in 1930 was in holdings over 10 hectares, and gave the quite unjustified impression that in effect agricultural laborers were responsible for the cultivation of all land over 10 hectares.

3: Roberts S-4 (no date)1951 ED1 Rumania ED1

185 ian overpopulation after 1921. Moreover, he granted that Rumanian
strip cultivation and dwarf holdings led to overpopulation because of
● 241 their economic inefficiency but he went on to say:

> The solution of this aspect of the Rumanian agrarian question cannot be achieved in the framework of small properties, nor in the framework of private property in land. It cannot find a solution either in individual or isolated fashion, but involves structural transformations which concern the whole of Rumanian society, hence far past the restricted limits of the agricultural sector properly speaking.[37]

In a word, for all his criticism of the "myth" of overpopulation Pătrășcanu really provided no convincing evidence that it was not a real problem, nor could he. This point is important, because the propaganda for the subsequent 1945 agrarian reform was obviously based on similar premises.

In his proposal of remedies, he limited himself to immediate reforms, which were not socialist but which were intended to rid Rumania of fascism and restore a constitutional bourgeois society. For agriculture he advocated the complete expropriation of large properties over 50 hectares, the abolition of servile labor relations, the resettlement of landless peasants and peasants with insufficient land; distribution to the peasants of livestock and equipment obtained from the expropriated estates; cancellation of peasant debts to the banks and to the state. Other economic measures included the nationalization of the Rumanian Bank and the consolidation of the banking structure; state control over cartels and the nationalization of certain combines; an eight-hour day for labor, minimum wages, social security, and protective legislation. For a Communist it was certainly a minimum program.

In explaining this program, Pătrășcanu relied upon the ideas of Lenin of 1900. The whole of the peasantry—while carrying within itself the latent conflict between poor peasant and the kulak—was the adversary of large property, although for a number of different reasons. In some European states peasant solidarity was no longer possible, but in Rumania there still remained a substantial antiboyar spirit common to poor and rich peasant alike.

The Agrarian Reform of 1945

241 Rumanian agriculture was disorganized after the defeat of 1944,
423 although as always the very backwardness of peasant farming re-
185 duced the shock. The war had depleted stocks of grain, draft animals,

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37. Pătrășcanu, *op. cit.*, p. 105.

and equipment. There had been fighting during the spring and summer over a wide strip of Moldavia, and less extended fighting was going on in Transylvania. The German army had retreated, the Red Army had marched through the country. There had been a considerable dislocation of population, and many landowners had fled from their estates in Moldavia and Bucovina. 241 423 185

Despite these unsettled conditions there was initially very little peasant action. There were cases of peasants taking land, primarily from absentee owners or those who had fled the Russian advance. But as late as January, 1945, at Botoşani in northern Moldavia—a region bordering the Soviet Union and which had been under Soviet control since the preceding spring—an agreement was reached, with the approval of the local Soviet commander, whereby landowners who had left their estates could return to them, provided they agreed to operate them personally and not as absentees.[38]

When the National Democratic Front began its drive to power in February, 1945, the calm was broken. In September, 1944, the Rumanian Communist party had put forward a demand, incorporated in the program of the National Democratic Front, for the expropriation of land over 50 hectares. Even before Groza and the Communists came into office peasant committees in the villages began taking over large estates. While this display of zeal, in most instances initiated by local organs of the Ploughmen's Front, was authentic in the sense that it corresponded to the primordial land hunger of the Rumanian peasant, it in no way reflected a revolutionary situation. The peasants in the winter of 1944 were not in a gay frame of mind; they were poor, heartily sick of the war which had cost many of them their sons, not to speak of their horses, cattle, and equipment. They were tired of troops—German, Russian, and Rumanian—marching by and requisitioning. They did not like the old order, they hated the local gendarmes but they were not in a revolutionary frame of mind. They welcomed land but they were not in a rick-burning mood.[39] The premature seizures of land before any law had been passed were merely part of the mock revolution the National Democratic Front was undertaking.

One of the first acts of the Groza government after its tumultuous rise to power was to promulgate a decree-law, on March 22, 1945, for a land reform.[40] According to Article 1 of this law, "Agrarian reform is a national, economic, and social necessity for our country. Rumanian agriculture should be based upon sound and productive farms, which are the private property of those who cultivate them."

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[38] This may seem surprising, but I saw the agreement in the prefecture at Botoşani.

[39] Such at least was my impression after traveling though some 30 judeţe in December and January, 1944–45.

[40] A text of the law is given in a pamphlet published by the Rumanian Ministry of Information, *La Réforme agraire en Roumanie* (Bucarest, November, 1946).

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The stated purposes of the reform were:

a) the enlargement of the cultivable area of existing peasant farms which were less than 5 hectares;

b) the creation of vegetable gardens in the environs of cities, for workers, civil servants, and artisans;

c) the creation of new individual private farms for agricultural laborers without land;

d) the use of certain land for model farms and experimental stations, to be administered by the state.

The following land was to be expropriated:

a) all properties belonging to German citizens and to Rumanian citizens of German ethnic origin who had collaborated with Hitler Germany;

b) the properties of war criminals and those responsible for the "disaster of the country";

c) properties of those who had fled to countries with which Rumania was at war and of those fleeing after August 23, 1944;

d) the land of absenteeists (excluding persons on official business abroad, or absent by necessity, or workers who had gone abroad and who had less than 10 hectares);

e) properties of those who during the last seven years had not cultivated the land themselves (excepting those with less than 10 hectares);

f) properties of those who had volunteered to fight against the United Nations;

g) mortmain lands;

h) lands of private owners in excess of 50 hectares, including arable, orchards, meadows, ponds, marshes, and inundated land. The proprietor was permitted to select which 50 hectares he was to retain but it had to be in one place. Multiple properties and properties of husband and wife were considered as one.

All tractors, threshing machines, sowing machines, and combines found on expropriated land were to pass to the state for the creation of agricultural machine stations. Other equipment and livestock was to go to the state for redistribution to the peasants. Expropriation of inventory and livestock was to be in proportion to the amount of the proprietor's land expropriated.

The law exempted from expropriation rice fields, church and monastic properties, crown lands, and lands belonging to certain specified cultural and philanthropic institutions, urban communes, and cooperatives. 241

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The mayor of each commune was directed to call a general assembly of all peasants having less than 5 hectares. This assembly was to elect a local committee of 7–15 members. These committees, whose actions were to be coordinated by a district committee operating with the Ministry of Agriculture, were to draw up lists of land to be expropriated and of peasants who were entitled to receive land.

Priority in the distribution of land was as follows:

a) cultivators mobilized in the anti-Hitler war;
b) widows, orphans, and invalids of this war;
c) widows, orphans, and invalids of any war;
d) landless peasants;
e) agricultural laborers and peasants who had worked on the land expropriated;
f) peasants with less than 5 hectares.

A necessary condition for all categories, however, was that the recipient lack 5 hectares of land.

Expropriation was without compensation. The price of the new lots was to be equal to the annual average harvest of one hectare, that is, 1,000 kilograms of wheat or 1,200 kilograms of maize. The new proprietors were to pay immediately in money or in kind 10 per cent of the purchase price, the remainder to be paid in ten years for peasants with little land and in twenty years for landless peasants. Landless peasants could obtain a three years' moratorium on the payment of their first installment.

Holdings created under this law could not be divided, sold, leased or mortgaged, either in whole or in part, except in certain special cases, with the authorization of the Ministry of Agriculture. The new land was received without obligations.

Lands expropriated and divided before the promulgation of this law were to be made to conform with its provisions.

By a subsequent administrative regulation certain large properties could be exempted from expropriation, if they were well-organized enterprises, suitable to serve as model farms under the direction of the Ministry of Agriculture; even these farms, however, were not to exceed 150 hectares.

For a number of reasons it is difficult to ascertain the results of the law in terms of the redistribution of land. Expropriation began before the law was promulgated, and although the irregularities in its application were not as great as some of the dispossessed landowners made out, there was a good deal of uncontrolled seizure and redistri-

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bution. A reform carried out so brusquely and through the agency of local peasant committees was bound to be a hectic procedure and not likely to be very accurately recorded. As has been mentioned already the statistics on the 1918–21 reform, even those presented officially, were far from accurate, and there is no reason to believe that the figures on the 1945 reform are a bit more reliable. Indeed, it is quite obvious that some of the figures were rigged for political purposes.

As of January, 1947, according to official announcement, 1,443,911 hectares had been expropriated under the 1945 reform from 143,219 proprietors; 1,057,674 hectares had been distributed to the peasants and 387,565 hectares held as state reserve. Of the 1,114,888 peasants having claims, 796,129 had received land.[41] The average area expropriated was only 10 hectares. Of the number of peasants having claims 72 per cent received land. The average amount received per peasant was about 1.3 hectares. In magnitude this reform—if the figures are at all comparable—by no means equaled the 1918–21 reforms. For roughly the equivalent area (i.e., minus Bessarabia, though including Northern Bucovina and Southern Dobrogea), the first reform had expropriated 4,312,911 hectares, 2,824,962 hectares had been distributed to 1,036,367 peasants, an average of 2.7 hectares per peasant.

The regional results of the 1945 reform correspond to the nature of the terrain, with the notable exception of Transylvania. In the mountainous overpopulated areas the average allotment was very small: 0.6 hectares in the Moldavian Carpathians, 0.7 hectares in the Wallachian Carpathians, and 0.5 hectares in Bucovina. In Dobrogea, which was relatively sparsely settled, the peasants received an average of almost 3 hectares. An interesting feature of the reform is that while in most of the regions the average area of land expropriated was relatively large (over 130 hectares in the Moldavian Plain, 111 hectares in the Danube Plain, 57 hectares in Dobrogea, and 58 hectares in Bucovina) the average area expropriated was only 5.5 hectares in the Transylvanian Plateau and 5 hectares in the Tisa Plain. Of the total number of expropriations over nine-tenths were in Transylvania, although the area expropriated in that province was only about one-half the total. Clearly this meant the expropriation of numerous properties well under 50 hectares and presumably reflects the forced reduction of the German communities in Transylvania.[42]

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41. Institutul Central de Statistică, *Communicări statistice, Nr. 17, 15 martie 1947* (Bucarest, 1947), p. 9.

42. The extensive German settlements in Transylvania, many of which had been there

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In January, 1948, the Statistical Institute of the new Rumanian People's Republic undertook an agrarian census to ascertain the distribution of land after the 1945 reform. Unfortunately, this census does not permit satisfactory comparison with that of 1941. It presents a table, comparing the number of agricultural exploitations in the various categories of size for 1941 and 1948, which shows, as might be expected, a decrease in the number of dwarf holdings under ½ hectare and of large holdings over 20 hectares, and a marked increase in the number of exploitations between 1 and 5 hectares. However, since the amount of area occupied by these categories of exploitations is not given and it is unclear whether the same types of land (especially forests and pastures) are included in both cases, the comparison is not very illuminating and may be misleading.[43] It was obvious, however, that the land reform of 1945 did not, as it could not, create a nation of prosperous small-holders. Indeed, the conclusion reached as to the size of Rumanian exploitations has a very familiar ring: "If 3 hectares represents in general the minimum lot necessary to sustain by farming a household of 4 persons, then more than half of the agricultural exploitations of Rumania fall short of this level and are obliged to have recourse to outside income."[44] To be sure, this sour note was not the one prevailing in 1945 and 1946, when the reform was being pushed through, but anticipated the new agrarian line taken up in 1948. 241 ● 423 185

In judging the 1945 land reform, it is necessary to realize, however, that it was not a Rumanian reform but had its sources in the Soviet Union, and that its immediate aims were political not economic. 423 178

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for hundreds of years, were greatly reduced by the wholesale transfer of nearly the entire able-bodied population to the Soviet Union in the winter of 1944–45. Undoubtedly a high percentage of the Germans had been actively pro-Nazi, but the Soviet order paid no attention to any such criteria.

[43] Number of agricultural exploitations (excluding Northern Transylvania):

		1948		*1941*	
Size of exploitation		*Number*	*Per cent*	*Number*	*Per cent*
Total		2,596,900	100.0	2,303,472	100.0
0–½	hectare	190,169	7.3	277,500	12.0
½–1	"	246,016	9.5	213,088	9.3
1–3	"	933,383	35.9	760,700	33.0
3–5	"	604,540	23.3	441,213	19.2
5–10	"	462,607	17.8	449,716	19.5
10–20	"	122,262	4.7	116,537	5.1
20–50	"	26,607	1.0	27,845	1.2
Over 50	"	11,316	0.4	16,873	0.7

A. Golopenţia and P. Onica, *Recensământul agricol din Republica Populară Română, 25 Ianuarie 1948. Rezultate provizorii*, Institutul Central de Statistică (Bucarest, 1948). For further details of the 1948 census see the Appendix. It appears that a good deal more land was included in this census than in 1941.

[44] *Ibid.*, p. 18.

already enjoys virtually complete control over the country. Moreover, 648 while the Rumanian political and economic structure is steadily approaching, and probably not asymptotically, the Soviet model, the final decision on incorporation will be based—apart from considerations of expediency—on political definitions which a mind not steeped in Leninism-Stalinism would have small chance of foreseeing.[20]

Economic Conditions

Economic developments since 1945 may be divided into two periods: 178 two years, 1945–47, of confusion and distress resulting from the war, Russian withdrawals, severe drought, the agrarian reform, monetary inflation, and the unsettled political situation; since 1947, a period of greater stability, an apparent increase in production, and the beginning of a directed and planned economy. In neither period can one obtain a very satisfactory picture of economic conditions. In the first months there was much administrative disorganization, and the government itself frequently lacked accurate information. The Groza regime has not hesitated from the outset to manipulate statistics for political and propagandistic purposes. Since the tightening of the administration in 1948, Rumania has been as reluctant as the Soviet Union, more reluctant than the other satellites, to publish any measurable economic data. Today, the few figures that appear are given as percentage gains for which it would be exceedingly difficult to supply a reasonably accurate base.

In general, it may be said that Rumania was slower than the other 453 eastern European states to recover from the war, in somewhat the 241 ● same way it lagged in coming out of the depression. Agricultural production fell off seriously in 1945 and 1946, partly because of the disorganization attendant upon the agrarian reform, but largely because of two years' serious drought. Both the acreage sown and the crop yields, especially in maize, the peasant's source of food, were exceptionally low; in 1946 the level of agricultural production was only 59 per cent of the 1934–38 average.[21] The production of indus-

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[20] This point is not very important but it is of interest to note that in the exchange of notes leading to Tito's expulsion from the Cominform in 1948, the Central Committee of the Communist party of the Soviet Union, after referring to Kardelj's hope, expressed in 1945, that the Yugoslav government would be regarded as the representatives of one of the future Soviet republics, rather scornfully dismissed his "primitive and fallacious reasoning . . . about Yugoslavia as a future constituent part of the USSR." It did not, however, vouchsafe its own authoritative views on the subject. Cf. Royal Institute of International Affairs, *The Soviet-Yugoslav Dispute* (London; New York, 1948), p. 39.

[21] United Nations, Department of Economic Affairs, *Economic Survey of Europe in 1948* (Geneva, 1949), p. 17.

433 241 trial and food crops fell successively in 1945 and 1946, and it is to be noted that the soybean, so extensively advertised in the 1930's, virtually disappeared as a crop when the peasants were left to their own devices.

The absence of accumulated stocks of grain, the large deliveries to Russia under the armistice, and the failure of the maize harvest in 1946 produced a disastrous and tragic famine, above all in Moldavia, in the winter and spring of 1947. Relief shipments had to be brought in from abroad, including substantial assistance from the United States.

The livestock position, while improving over the situation immediately after the war, was still weak by 1948. There were, in that year, 30 horses and 138 oxen (including buffaloes) per 100 agricultural exploitations as against 56 and 150 respectively in 1941; in terms of cultivation, there were 21 draft animals per 100 hectares of arable land in 1948 as against 27 in 1941. The quantity of agricultural equipment showed less diminution: an increase in the total number over 1941 was matched by a slight decline in the amount of equipment per exploitation, a result presumably of the increase in small holdings after the 1945 reform.[22]

Rumanian industry, which had expanded under wartime demands, registered a decline in 1944 and 1945, but a slight recovery in 1946. According to the Ministry of Finance, total industrial production was 80 per cent of the 1941 level in 1944, 60 per cent in 1945, and 77 per cent in the first ten months of 1946.[23] The chemical, metallurgical, and food industries were the most severely hit. The petroleum industry, which appears to be facing an exhaustion of the tapped fields, had already showed signs of decline before the war; in 1947 the output of crude petroleum was 3.8 million tons as against 8.7 million in 1936 and 5.8 million in 1940.

433 C48 In addition to the slump in agricultural and industrial production, the Rumanian economy suffered from the flow of goods to the Soviet Union. The total value of Rumanian wealth transferred officially or unofficially, as restitution, reparations, or war booty has been the

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[22] A. Golopenția and P. Onica, *Recensământul agricol din Republica Populară Română, 25 Ianuarie 1948. Resultate provizorii*, Institutul Central de Statistică (Bucarest, 1948).

[23] Rumanian Ministry of Finance, *Expunere de motive la bugetul 1947/48*, p. 338. The validity of these figures is uncertain, and they may represent an inflated estimate. Tătărescu is reported to have said in 1947 that after two years of the Groza regime the general level of production was only 48 per cent of the 1938 output. *New York Times*, June 6, 1947.

The Change in Economic and Agrarian Policy

185 With regard to economic policy, the first two years after the war might be regarded as an induced and foreshortened NEP; not a retreat from war communism as the Soviet New Economic Policy had been, but, in form at least, the creation of a transitional economy between the older Rumanian capitalism and the drive toward socialism. This concept is closely related in the Communist mind to the functions of the People's Democracy and is embodied in the Constitution of 1948, though by that time the actual economic policy was moving beyond it.

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465 For all the fanfare accompanying the 1945 agrarian reform, the organization of Rumanian farming in the first two or three years after its application showed little change. In the planting year 1946/47 much the greater part of the working force was engaged in family farms. About 181,000 persons (2.3 per cent of those active in agriculture) were permanent farm laborers, about 783,000 were engaged in seasonal work, and 1.4 million persons did some work on farms other than their own.[27] Payment for work continued to be a mixture of money and produce, only one-third of the work being paid solely in money.

The type of cultivation was much the same, though there was a retrogression from mixed agriculture. If the figures are comparable, some 61 per cent of the exploitations in 1948 were devoted to cereal cultivation as against 51 per cent in 1941; only 1.2 per cent of the exploitations concentrated on raising livestock as against 12 per cent in 1941, a reflection of the wartime loss of animals and the breaking up of large estates.

About two-thirds of the exploitations obtained their money income through sale of produce, the other third through outside labor. Two-fifths of the exploitations in 1947 were obliged to buy agricultural produce to supplement their own deficient production.

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241 In 1945 the Groza regime announced that the agrarian reform was but the initial step in a whole series of projected reforms which would transform Rumanian agriculture, but at this time there was no mention of collectivization as the general goal. On the contrary, any mention of collective farming was frowned upon, and the whole emphasis was on assisting the independent peasant. Actually, the list of

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[27] *Recensământul agricol din Republica Populară Română, 25 Ianuarie 1948,* p. 35. The relation between the last two categories is not clear, but the figures on permanent and seasonal workers are quite similar to those of 1941. See above, p. 52

proposed measures was very similar to those brought forward repeatedly 185 by various Rumanian governments in the preceding twenty-five 241 years. Great publicity was given to state-operated agricultural machine stations which were to enable the peasant to mechanize his cultivation; from the beginning, however, this measure was regarded as a powerful potential lever in the hands of the state to direct agriculture. The promise of an agricultural machine industry was also a familiar item of earlier programs. Other recognizable projects were land reclamation, the creation of better experimental stations, improved agricultural education, more credit, a vigorous cooperative movement, development of agricultural industries, a scientific land survey, and the encouragement of animal husbandry.[28]

In 1945 the government created a National Cooperative Institute [647 to assist agriculture, but its principal function appears to have been 654] grain collection.[29] In November, 1946, appeared a new organ, REAZIM, an autonomous administration for developing agriculture, animal husbandry, and the use of agricultural machinery. REAZIM took over most of the state functions for agrarian improvement, rationalizing cultivation, supplying seeds and equipment, executing production plans, and managing agricultural machine stations.

Although many of these projects resembled those proposed by earlier regimes, it was obvious that the Communists had no intention of permitting Rumanian agriculture to proceed in its traditional rut. Even in the first phase of ostentatious silence about collective agriculture, the nature of the reforms, or rather the absence of certain reforms, provided an indication of developments to come. In its plans for agricultural improvement, the regime appears to have laid little stress on the desirability of consolidating holdings in private ownership, and the 1948 census showed the fragmentation of properties to be just as extreme as in 1941. The emphasis was upon increasing cereal output through mechanization rather than upon the intensified and diversified cultivation suitable to peasant farming. When, as a consequence of the 1946–47 famine, poor peasants began to sell their holdings, the government took steps to cancel sales to rich farmers. All these moves showed that it had no intention of fostering the growth of an independent, potentially capitalist peasantry on the

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[28] See, for example, the two pamphlets outlining the government's plans for intensifying livestock raising and for land reclamation: *Intensificarea creşterii animalelor în cadrul refacerii economice* (Bucarest, 1946), and *Îmbunătăţirile funciare în agricultura românească* (Bucarest, 1946).

[29] In 1945 INCOOP was granted 57 billion lei for the collection of grain, of which 13 billion was for deliveries to the U.S.S.R., 8 billion to supply Soviet troops, 1 billion to supply the Rumanian army, and 35 billion for the civil population.

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185 Western model, but during this first period, to avoid alienating the
241 peasants, it held its hand.

185 433 A somewhat similar situation obtained in the question of industrial policy, though here official propaganda was much more hostile to exploiting industrialists. So long as the Tătărescu Liberals were in the government, it called for the cooperation of private capital, and the only important step taken in this first phase was the nationalization of the National Bank. As late as March, 1947, Mihail Ralea, Rumanian Minister to the United States, protested against rumors that the government was proceeding against private enterprise and maintained, either disingenuously or without information (Ralea was not a member of the Communist party), that one of the main goals of the Groza regime was to "foster private initiative," to which it granted complete freedom.[30] Nevertheless, in practice the sphere of private industrial activity was increasingly circumscribed and restricted by a number of devices: obstructive action by the workers, appeals to the national interest, or simply charges of inefficiency and sabotage.

439 Perhaps the most significant economic innovation in the months after the armistice was the creation of a number of joint Soviet-Rumanian enterprises. On May 8, 1945, the Rumanian government signed an agreement with the Soviet Union providing for extensive economic collaboration. The U.S.S.R. was to assist Rumanian agriculture by supplying tractors, seed, and agricultural experts. A number of SOVROM companies were set up in the important fields of river and air transport, banking, lumbering, and oil production and refining. (A 1948 trade agreement created two new SOVROM companies for the manufacture of tractors and chemical products.) Participation in the companies was on a 50–50 basis, and the Rumanian state was to grant them special privileges and monopolies. Much of the Soviet capital was quite easily obtained from the German assets in Rumania, awarded to the U.S.S.R. in the Potsdam agreement. These concerns clearly gave the Soviet Union a controlling position at key points in the Rumanian economy.

This form of economic collaboration was reminiscent of the Rumanian-German trade agreement of 1939. The principal difference lay less perhaps in the agreements themselves than in the structure of the Soviet and German economies. Under the German-Rumanian agreement the two economies were seen as complementary, and the major function of Rumania was to provide raw materials; the Germans showed some hostility to the further development of Ru-

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[30] See his letter to the *New York Times*, March 12, 1947.

423 tasks. The first was to restrict the kulaks and dislodge them from
565 their position. Then it would be possible "when conditions are ripe,
661 to pass over to the policy of the complete liquidation of the kulaks."[36]
He anticipated, of course, that the kulaks would resort to underground struggle, sabotage, and criminal acts in an effort to avert their approaching fate.

185 The second task was to undertake propaganda convincing the poor
● 241 and middle peasants of the need to unite in collective farms. When that task had been achieved, when all the land belonged to the collectives in perpetuity, the goal of making the land public property and bringing about the socialist transformation of the countryside would be reached. Gheorghiu-Dej emphasized, however, the necessity of making this transition gradually, by means of persuasion, and with the voluntary support of the peasant. The poor peasants should not be driven into collectives, the middle peasant should not be identified with the kulak, and the whole process must be paced by the development of agricultural machinery, machine tractor stations, and the expansion of the network of consumer and producer cooperatives as broad mass movements.[37] These words of caution presumably reflect the wisdom gained from the Soviet experiment in collectivization.

Gheorghiu-Dej concluded his remarks with the inevitable "self-criticism": in the past the party had not provided a clear political line for work in the countryside and had failed to popularize the notion of uniting the working peasantry into collective farms, and had even ignored or denied this goal.[38] That these so-called errors were the fault of the Rumanian Communists is, of course, nonsense. The party line, emanating from Moscow, had shifted, and in this instance a strong case can be made that the change had been planned long in advance. The Communists could have had no intention of stopping at the stage of small peasant cultivation which had, in any event, reached a cul-de-sac in Rumania.

474 The creation of collective farms got under way in 1949, and by the end of the year, according to the glowing account of a Russian visitor, 56 *kolkhozi* comprising 4,000 peasant families had been estab-

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[36] As in Russia representatives of the restricted and soon to be liquidated kulak class are not to be admitted to the collective farms.

[37] The cooperatives, however, must rid themselves of capitalist elements, must intensify their collaboration with the state trading organs, and must promote the spirit of "socialist emulation" among the peasants.

[38] G. Gheorghiu-Dej, "Tasks of the Rumanian Workers Party in the Struggle for the Socialist Reorganisation of the Countryside," *For a Lasting Peace, for a People's Democracy* (Bucarest, March 15, 1949).

TABLE XXVI. COMPARISON OF DISTRIBUTION OF EXPLOITATIONS BY SIZE IN 1941 AND 1948 (EXCLUDING NORTHERN TRANSYLVANIA) 311

Categories of Size (hectares)	1941		1948	
	Number	*Per Cent*	*Number*	*Per Cent*
0–0.5	277,800	12.0	190,169	7.3
0.5–1	212,088	9.2	246,016	9.5
1–3	760,700	33.0	933,383	35.9
3–5	441,218	19.2	604,540	23.3
5–10	449,716	19.5	462,607	17.8
10–20	116,537	5.1	122,262	4.7
20–50	27,845	1.2	26,607	1.0
Over 50	16,878	0.7	11,316	0.4
Total	2,308,472	100.0	2,596,900	100.0

SOURCE: *Ibid.*, p. 20.

COMMENT: Although the geographic regions covered in these two tables are the same, the comparison sheds little light and may be misleading, because the amount of land included in each category is not given. In 1941, according to the census of that year, the 2,300,000 exploitations occupied only 10,419,000 hectares, of which about three-fourths was arable. According to the 1948 census the 2,600,000 exploitations occupied approximately 17,000,000 hectares, of which less than one-half was arable. Because of this great difference in the amount of land involved, it would be fallacious to use these tables as a demonstration of the effects of the 1945 agrarian reform.

TABLE XXVII. PRINCIPAL BRANCHES OF AGRICULTURAL ACTIVITY

A. Percentage of Arable Devoted to Different Crops

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	Cereals	Wheat	Maize	Barley	Oats	Rye	Alimentary Plants	Industrial Plants	Forage Crops	Fallow
1921–25	87.1	25.5	31.7	15.6	11.3	2.5	3.3	2.2	4.2	3.2
1926–30	85.4	24.4	34.7	14.4	8.9	2.5	3.3	3.1	5.1	3.1
1931–35	83.9	24.0	36.3	13.4	6.2	2.9	3.6	2.6	5.5	4.2
1936	82.3	24.6	37.7	11.6	5.3	3.0	3.8	3.5	5.6	3.6
1937	82.4	25.7	36.5	10.9	5.6	3.3	3.7	3.6	5.2	3.1
1938	82.1	29.3	35.8	9.0	4.7	3.4	3.6	3.5	5.3	5.5

SOURCE: *Statistica agricolă a României în 1938*, pp. xiv–xv.

B. Distribution of Agricultural Exploitations According to Type of Farming

	Percentage of Total Number of Exploitations	
	1941	*1948*
Cereals	50.7	60.7
Animal husbandry	12.5	1.2
Viticulture	1.4	1.3
Fruits	0.7	0.7
Mixed, and other	34.7	36.1

SOURCES: *Recensămîntul agricol din 1941; Recensămîntul agricol din Republica Populară Română,*

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TABLE XXVIII. PERCENTAGE OF LAND DEVOTED TO DIFFERENT CROPS ACCORDING TO SIZE OF PROPERTY, 1938

	Size of Property (hectares)						
	0.1–1	*1–3*	*3–5*	*5–10*	*10–25*	*Over 25*	*Total*
Cereals	51.57	62.61	64.61	72.94	78.14	50.42	66.05
Alimentary plants	4.21	2.89	3.17	2.27	2.73	2.40	2.78
Intercropped plants	2.64	2.25	1.56	1.14	0.86	0.90	1.53
Forage crops	4.27	6.68	7.50	5.00	3.97	3.06	5.05
Industrial plants	1.12	1.77	2.48	1.84	1.29	1.44	1.78
Fallow	0.90	1.77	2.52	2.46	1.90	0.71	1.90
Natural meadow	10.58	7.90	4.26	3.42	3.12	7.62	5.11
Pasture	0.25	1.69	1.67	1.57	1.70	2.32	1.78
Orchards	5.80	1.75	1.19	0.77	0.76	0.88	1.00
Vineyards	10.29	4.61	2.91	2.48	2.90	0.79	3.22
Forests	5.60	2.82	2.61	2.67	3.95	25.43	7.19
Barren	0.15	0.59	0.25	0.26	0.49	0.52	0.42
Not utilised	3.16	1.56	2.03	1.53	2.07	2.96	2.47

SOURCE: *60 Sate românești*, II, 97.

COMMENTS: These figures were reached through a sampling investigation of some 60 villages.

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TABLE XXIX. PRODUCTION OF PRINCIPAL GRAINS

	Output in 1,000 Quintals				Area Covered
	Wheat	*Maize*	*Barley*	*Oats*	
1921–25	24,277	35,618	12,080	9,116	71 *judeţe*, frontiers as of January, 1938
1926–30	30,389	46,071	19,130	11,047	
1931–35	26,385	50,972	13,132	6,585	
1936	35,081	56,120	14,119	6,471	
1937	38,088	46,980	9,465	5,195	
1938	48,126	52,201	6,222	4,606	
1935–39	25,980	39,030	5,500	4,016	40 *judeţe*, frontiers as of January, 1942
1940	15,139	37,462	4,985	3,707	
1941	19,662	36,972	3,011	3,800	
1942	9,549	21,016	3,325	3,572	
1943	26,297	22,290	5,163	4,326	
1944	26,039	22,640	3,621	3,802	
1945	10,665	10,189	2,441	2,334	
1945	12,745	10,186	2,578	2,567	58 *judeţe*, postwar frontiers
1946	16,087	10,040	2,804	2,838	

SOURCES: *Statistica agricolă a României în 1938*, p. xvii; *Statistica agricolă a României în 1941–1944*, p. xiii; *Expunere de motive la bugetul general al statului* (Bucureşti, 1946, 1947).

241 It will be seen that structure and climate conspire together
132 to encourage a scheme of summer utilisation of high pastures
221 combined with valley cultivation that was much enriched
when the maize plant was introduced, but this was not so
long ago, and the older régime was none too prosperous both
because of climatic troubles in the highlands and especially
the sensitiveness of the wheat plant to abnormal seasons,
and because of the hindrances to organisation arising from
the diversities of language between governments and
371 subjects. The encouragement of industry was not easy
while some lignite and a little coal were the main sources of
power, but later on it became possible to use abundant
petroleum and natural gas and we have yet to see, in the
565 next generation, what influence they may have. Up to the
241 present, however, a true peasantry survives, and has
increased its hold on the soil; it still makes at home a great
proportion of what it needs, it still finds that in the hills the
maize crop may not ripen, and old communal schemes
relating to the high pastures remain important.

137 reached there was little to be seen, the alpine meadows having been closely cropped by sheep. During an early morning walk in the neighbourhood of the hut, more alpine conditions were seen to be prevalent and plants typical of such regions were recorded, such as: *Ranunculus nemorus, Polygala amara, Genista tinctoria, Saxifraga aizoon, Alsine gerardi, Heliosperma quadrifida, Viola declinata* (endemic), *Gentiana nivalis, G. utriculosa, Campanula carpatica, Dianthus gelidus* (endemic), *D. spiculifolius* (endemic), *Pedicularis verticillata, Rhododendron Kotshyi* (endemic), *Sedum atratum, Pleurogyne carinthiaca, Phleum alpinum, Potentilla aurea, Anemone alba, Primula minima, Scorzonera rosea, Loiseleuria procumbens,* etc. Unfortunately a very heavy thunderstorm with torrential rain made it impossible to investigate the flora on the interesting plateau country passed shortly after leaving the Peştera hut on our way down to Buşteni.

Bran was our next place of stay and the hill sides round the town proved very interesting floristically. Some 100 common plants were recorded in addition to *Coronilla varia, Impatiens noli-tangere, Actaea spicata, Monotropa hypopitys, Centaurea pseudo-phrygia, Nepeta pannonica, Trifolium alpestre, T. ochroleucum, Chaerophyllum aromaticum, Inula hirta, Erysimum repandum, Galinsoga parviflora, Salvia verticillata, Brunella grandiflora, Linum flavum, Hypericum transylvanicum, Scabiosa ochroleuca, Selinum carvifolium, Bupleurum falcatum, Seseli annuum, Luzula albida,* etc. Above the hotel was a considerable stretch of beech forest intermixed with spruce (*Picea excelsa*); on the lower edge of this was the usual hazel (*Corylus avellana*), alder (*Alnus incana*), Cornelian cherry (*Cornus mas*), hornbeam (*Carpinus betulus*), etc. At the foot of the slope on damp ground were
241 clumps of *Salices* and *Alnus incana*. Around the cottages on the hillsides were patches of potatoes with oats and sometimes a small patch of hemp; some of this freshly cut and being retted in a shallow pit dug in the ground was also noted. Generally speaking, the flora around Bran itself was a very rich one. Close by the hotel the following species of Mycetozoa were seen: *Stemonitis hyperopta* on an old tree stump, *Arcyria denudata,* maturing on soil, and masses of *Mucilago spongiosa* ripening on old sticks.

137 [241] The journey to Braşov (Kronstadt) took us along the valley, both sides of which were well cultivated, potatoes, beans, oats, maize being the chief crops; sunflowers and small patches of hemp were also seen. A halt for petrol, a short distance from Bran, provided an opportunity for studying the meadow land vegetation close to the road; the following were noted: *Scilla trilobium*, *Centaurea scabiosa*, *Coronilla varia*, *Hypericum perforatum*, *Medicago falcata*, *Peucedanum oreoselinum*, *Knautia arvensis*, *Campanula rotundifolium*, *Helianthemum chamaecistus*, *Stachys betonica*, *Dianthus Carthusianorum*, *Viola tricolor*, *Senecio aquatica*, *Trifolium procumbens*, *Achillea millefolium*, *Chrysanthemum leucanthemum*, *Campanula trachelium*, *C. rapunculus*, *Cirsium oleracea*, *Galium verum*, *G. Mollugo*, *Geranium pratense*, *Lathyrus pratensis*, *Melampyrum nemorosum*, etc.

At Braşov were seen *Potentilla canescens* and *Silene otites* among many commoner species.

It was not until we reached Borsec that we had time to study the vegetation in any detail, and it was somewhat unfortunate that the truly sub-alpine and alpine regions were not within easy reach. The greater part of the mountain sides surrounding Borsec were covered with spruce forests quite to the summits and beech forest was not well represented, being met with as somewhat poor specimens often at a considerable height. These forests proved to be rather deficient in species, botanically.

During our walk from Borsec across meadows and up on to the summit of Bukkhavas, it was interesting to see the beech and birch above the limit of the spruce. *Ribes grossularia* was seen in fruit in open spots in the forest. The open summit was covered with *Vaccinium myrtillus* with its usual association; *Scorzonera rosea* was also growing upon the summit. Leaving the mountain and going down towards Bilbor we noted a grassy clearing with a building where cattle had been housed: this as in other cases was covered with a prolific growth of dock (*Rumex sp.*); it invariably accompanied places where mountain dairies had been established. On reaching the valley a fine clump of *Dianthus superbus* was seen.

244 A walk around the cottages of Old Borsec revealed several vegetable gardens apparently associated with the possibility

137 *mutellina*, etc. The forester mentioned that beech forest was of no practical value but that hornbeam (*Carpinus betulus*) was sought after because of its hardness.

THE VEGETATION AROUND CORBU.

Of the vegetation around Corbu, the special village studied, little need be said: the hillsides had in many places been denuded of timber for building and domestic purposes throughout the whole length of the village.
The following zones may be distinguished:

●241 1. THE ZONE OF THE VALLEY BOTTOM (BISTRICIOARA).

This was devoted to agriculture, but the maize was poor in comparison with that seen on the hot Wallachian plains; patches of barley occurred chiefly on the south-facing slopes, and there were small patches of potatoes and hemp; hay was cut on the meadows near the river and on the lower slopes.

2. THE ZONE OF FOREST.

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313 Spruce was the dominant tree, but on the church side of the village, particularly towards the Borsec end, stretches of Scots pine (*Pinus sylvestris*) had evidently been planted just above the valley floor. This was presumably to retain detritus and to consolidate the soil as they were planted much too closely to have any economic value for timber. Conversation with the forester on Runcul above Tulgheş confirmed this fact and Dr. Pop, the botanist at Cluj, also mentioned that *Larix decidua* var. *polonica* had been planted above Corbu. The schoolmaster said that the valley floor and lower slopes had originally been covered with trees and that wood was very cheap but labour was dear. Timber plays a very great part in the domestic economy of a village like Corbu, being used for building, furniture, carts, looms, winding frames, etc., as well as for fuel.

THE TRAIN JOURNEY FROM TOPLITA (OLAH TOPLICZA) TO CLUJ.

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137 Finally the train journey from Topliţa to Cluj afforded another opportunity for observing the crops grown. All along the railway in the Mureş valley much maize was

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grown with sunflowers round the edges of the fields; little tent-like stacks of hemp were seen drying, and on one occasion a field of tobacco was noticed. The common tree was the false acacia (*Robinia pseudacacia*). Along the stream sides one invariably saw the flowering rush (*Butomus umbellatus*). Vines were seen growing around Rasboeni.

A VERY interesting salt marsh area was noticed before reaching Cluj, large areas being covered with sea aster (*Aster tripolium*) and a species resembling sea lavender (*? Statice gmellini*) recalling the vegetation of the salt marshes on the North Norfolk coast around Blakeney, etc. AT CLUJ we were privileged to visit the fine Botanic Gardens under the guidance of Prof. Emil Pop, and saw the special floras of the various regions of Roumania.

∞∞ IN CONCLUSION I should like to mention my indebtedness to Miss Vines and Capt. Chase for their observations and lists of plants from various areas which they visited.

HENRY J. HOWARD, F.L.S., F.R.M.S.,

VI.—ECONOMIC ROUMANIA

AGRICULTURE.

311 162 MODERN ROUMANIA is essentially an agricultural state, as was the Old Kingdom (43 to 46 per cent of the land being arable and 22 per cent forest, whilst over 80 per cent of the population of 18 millions are agricultural workers), although it has valuable potentialities for the development of industry.

132 ●241 134 ARRANGED in zones round the bastion of the southern and eastern Carpathian highlands, the main agricultural regions of post-war Roumania exhibit, according to aspect and altitude, a considerable variety of climatic conditions, which is reflected in a varying emphasis in the selection of crops raised. In general, we may say that the continental nature of the climate and the resulting succession from north to south and from highland to lowland of soils, graded from poor ashen-grey podsol in the Carpathians through oak-forest loams to a rich chernoziom in the south-eastern Danube plains, has resulted, wherever the ground is sufficiently level, in a concentration on grain production. The heavier rainfall of the uplands, the relatively great humidity and shelter from the driving winds that sweep across the open plains, coupled with the exposure of less [137] fertile rocks—granites and coarse sandstones—explains the large area of forested land (24.5 per cent, nearly 7½ million hectares) in those districts that extend into the Carpathian highlands.

243 OF THE 13 odd million hectares of arable land, cereals occupy some 37 to 39 per cent. Production varies greatly from year to year and from district to district. In the old kingdom of Wallachia-Moldavia, maize is by far the heaviest crop, particularly in Oltenia, where the summer rainfall is heavier. It is also the heaviest crop in Transylvania, the cultivated areas under maize, wheat, barley and oats being [262] respectively 4, 3, 2 and 1 million hectares. Maize is the staple crop of the peasant holder almost throughout the country, for it not only provides the bread cakes and the "mamaliga," maize pudding, the main food of the mass of the people, but also fodder for the cattle to eke out the hay in

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PLATE VIII

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[facing page 49]

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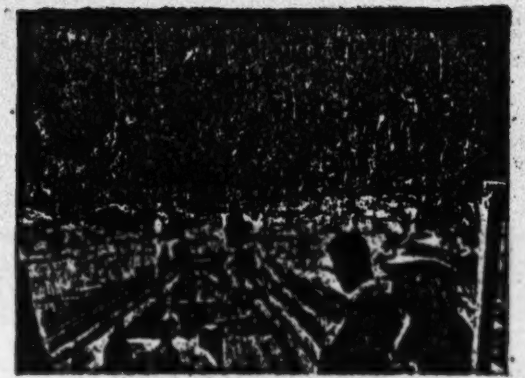
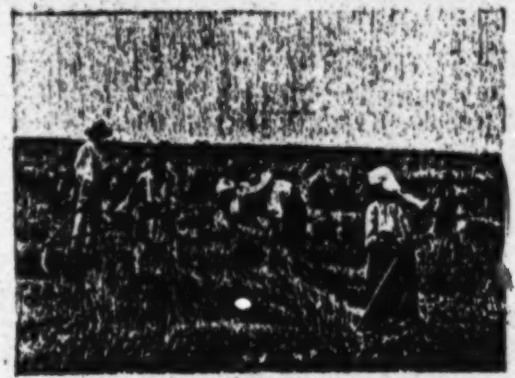


Shooting the rapids on the Bistrita.

Photo Dr. F. Doody.



Harvesting by hand on the level Danube plains.

Photo Roumanian Press.

The above illustrations from blocks kindly loaned by the B.B.C.

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Spinning with a distaff—an occupation symbolical of the traditional life of the Roumanian peasantry in the hill country.

Photo: W. J. Howard.

313 church, fencing, roofing, flooring, is of timber, and also many of his household utensils: water-buckets, jugs, spoons, etc.

It is very unfortunate that the most lucrative type of timber should be the most inaccessible. Timber from the great stands of pine has to take the slow and tortuous route down the rivers in rafts (see Plates VII and VIII) to the Danube and Black Sea. Afforestation has not reached a high stage of development as yet. The trees are propagated by naturally-sown seeds, and there are very few nurseries. Where the clearings are made, the stumps are left in the ground to add to the difficulties of the hay harvester.

221 We may sum up the tale of Roumania's agricultural assets by saying that she is well endowed by nature as regards soils and climatic conditions for the wide-spread production of grain, fruit and vegetables ; that natural pasture, whether upland or lowland, is seasonal and insufficient for a satisfactory development of cattle raising, though much may be done by an intensified cultivation of fodder crops. The increased provision of communal grazing for the peasants has been a useful step. Conditions are better for sheep, which are more adaptable than cattle and are better able to stand the rigours of the hard winter. Transhumance is everywhere practised with these animals : those of the great plains moving from the Danube lowlands in the spring to the hill pastures in the summer. Local transhumance of cattle, sheep and pigs from villages of the upland valleys to the high dairies is the rule.

LAND TENURE.

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423 Agricultural conditions, past and present, and the marketing of the products of land-utilisation are so closely bound up with conditions of land tenure that it is relevant to include here a short summary of those conditions.

In the period immediately preceding the outbreak of the Great War, 50 per cent of the land of Old Roumania was in large holdings (over 250 acres), and in the Bucovina, where the Roumanian peasants' holdings were pitiably small, 60 per cent. About 40 per cent of the holdings were of less than twenty-five acres. In Old Roumania and Transylvania the average was only eight acres per family, in the grain lands of Bessarabia eleven, but in the Bucovina uplands

241 423 only three and a half. But 50 per cent of the registered large holdings were farmed in small parcels by peasants who paid rent largely in kind or in services to absentee landlords or large tenant holders, mainly Jews, to whom the land had been farmed out. Such an arrangement often meant a considerable return to the landowner or direct farmer at the 243 expense of the peasant labourer. On the large holdings wheat was the main crop, only about 14 per cent of the maize in Old Roumania being grown on large holdings. There are a number of reasons for this. First, more capital is required for the cultivation of wheat; wheat seed grain costs ten times as much as maize for an equal area; then, in the higher lands, where the smaller holdings are to be found, the heavier rainfall and shorter growing period is more conducive to maize cultivation than to that of wheat. Again, the traditional staple food of the peasant is the easily prepared "mamaliga" or maize pudding, and the difficulty of persuading a peasant people to change their habits of life is well known, also the heavy animal fodder provided by maize is an important consideration for the peasant. And lastly, where the maintenance of life is dependent on an adequate winter store, the peasant is more concerned with securing that tangible store than with providing a cash crop with which to acquire luxuries. The large farmer, on the other hand, was mainly concerned in producing a surplus crop of wheat for export.

423 Between 1916 and 1926 a great redistribution of land in the interest of the peasants took place both in Old Roumania and in the newly-acquired territories. Such a redistribution in a land with important ethnical minorities has naturally given rise to much discontent among the dispossessed landlords and as naturally forms the basis of much political discussion and unrest and endless propaganda by all parties. But we are only concerned here with the economic results of the redistribution.

423 241 It must be recognised that the change from large- to small-scale farming, however advantageous to the peasant against whom the scales had always been weighted in the past, means a change in the character of the land cultivation, and though farming methods even on the large farms cannot be said to have been very enlightened, a certain amount of

423 capital expenditure on the provision of machinery, artificial
241 manures and so forth had been possible, and labour was cheap and available when required. With the small holding, these advantages can be acquired only by means of a highly-organised co-operative system and a controlled credit organisation, and there is no doubt that there has been a set-back in productiveness of large sections of the land. The large holders have been greatly handicapped in the exploitation of their land, moreover, first by government restrictions in the matter of wheat export, and second, by the great slump in wheat prices, probably also by inclement weather conditions. As a result there has been a drop of over 12 per cent in 1933 in the acreage under wheat and a corresponding rise in that under maize and barley.

241 To GET the best out of Roumanian agricultural land, im-
312 proved communications is one of the first essentials, for the removal of surplus crops, for the supply of artificial manures, particularly nitrates, and for the spread of agricultural education. The Roumanian peasant is backward in farming methods and requires help, both educational and financial, in such matters as seed selection and manuring. He uses too light a plough to get the best results from the soil and for the conservation of moisture in the soil. A system of irrigation would be of immense benefit not only in the plains but also in the valleys of the uplands. Of course, lacking the great reservoirs of water in snowfield and glacier and lake with which Switzerland and Austria are endowed, the perennial irrigation which is common in those lands cannot be so easily obtained, though much more utilisation might be made of the streams if the peasantry were more enlightened in their use. Large-scale irrigation works would necessitate the construction of reservoirs in the major river valleys to store the surplus rains of spring and early summer and the snow melt. Control of the streams is a very urgent matter, for the amount of damage they cause, in the sudden floods to which they are liable, to roads, bridges and to arable land is enormous. One of the great difficulties that the engineers have to deal with, and this may also be an important consideration in reservoir construction, is the friability of the rock material in most of the foot-hill country of the Carpathians. (This was illustrated very forcibly in a journey by car from Vatra Dornei through the Campulung district.)

241 Dry farming is practised to some extent, but is capable of
312 development in the districts of semi-steppe.

CO-OPERATION.

476 ALTHOUGH it is not by any means reduced to a science, as in
Belgium and Denmark, for example, co-operation is practised
by the Roumanian peasant farmer to an important extent.
In Transylvania and Bessarabia, the system has for long
been well established, owing to the initiative and encourage-
ment of village priests and schoolmasters. For example,
there are community herds of water buffaloes, which tend
477 to prevent deterioration of the breed. The forest industry is
in the main run by co-operative societies which control the
felling, local distribution and marketing of timber.

IN 1931 there were 5,200 popular co-operative banks, with over 1,150,000 members; 236 forest co-operative societies, with about 341,600 members; 1,000 consumption and supply co-operative societies, with 236,000 members; besides a number of village buying and leasing associations.

241 MUCH has been done, and efforts are continuing by propaganda and instruction, to encourage more up-to-date methods among the peasant farmers and there are a number of schools for primary instruction in agricultural method. Modern farm machinery is loaned by the Ministry of Agriculture to peasants for small fees, stud farms have been established to improve the breed of horses and cattle, and funds have been loaned to the peasant communities for the purchase of stud animals.

INDUSTRY.

135 FROM the point of view of power and raw materials for the development of industry, Roumania is also well endowed by nature. True, her supply of coal is negligible, the only deposit worth mention being that of the brown coal basin of Jiul at Lupeni in Oltenia, which is capable of producing about two million tons per annum. (The output in 1933 was in the neighbourhood of 1.4 million metric tons.) It contains much sulphur but is used to some extent in iron smelting. On the other hand, there are very rich stores of mineral oil. The oil-bearing rocks occur in abundance along the outer rim of the Carpathians in lower Miocene deposits which are

4:Fleure S-5 (no date)1936 EDl Rumania EDl

PLATE X

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Hay meadows on deforested slopes above the limits of cultivation at Corbu. Although this is the upper section of a valley tributary to that of the Bistricioara, it is much broader than the narrowly constricted lower section.

Photo R. A. Pelham.

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Typical Roumanian farmsteads in Corbu. The houses are roofed with shingles, the outbuildings with boards. The house in the centre has the characteristic louvre in place of chimney, and its walls are of timber with plaster covering. Hemp is drying on the verandah. The mud caulking in the outbuilding is clearly visible.

Photo R. A. Pelham.

[facing page 65]

342 563 absence of small fields, although a vegetable garden is a normal feature. Most of them are grouped together in a small colony on a piece of steeply-sloping ground near the western end of the village that could not be used for agricultural purposes, thus emphasising the fact that they constitute an exotic element living on the outskirts of the community (see Plate XII and Fig. 11).

311 THERE is no emigration from Corbu, but the tendency is to extend cultivation by forest-cutting. A good deal of land in the Bistricioara valley is still available.

II. FARMING ACTIVITIES

THE LAND AND INHERITANCE.

428 241 FARMING in Corbu is carried on essentially for subsistence rather than for profit. Large-scale cultivation with its attendant economies would in any case be difficult in such an environment, but it is rendered impossible by a land tenure system, intimately bound up with laws of inheritance, which permits the subdivision of land from generation to generation. On the death of the father the widow receives a quarter of the estate, the remainder being divided equally amongst all the children. Alternatively, the latter take over their portion on marriage, but the result in each case is the same—the peasant holdings not only decrease in size but portions of the same holding may be widely separated. For it does not even follow that all the land surrounding a farmstead necessarily belongs to the family residing there. It did, of course, when the holding was first formed, but marriage has in most cases added complications. A portion of the holding, for example, may belong to a married daughter living elsewhere in the village and her husband will then come periodically to cultivate it as part of his estate. Much time is wasted in this way, so wherever possible an interchange of plots is arranged, especially where the parties to the marriage belong to different villages.

423 IN a register covering about 207 hectares of privately owned land there were 133 parcels registered, sometimes more than one in the name of a particular person. Of the 133, 56 were less than one hectare each, but at least 8 of these parcels were accessories to other holdings and those owners

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PLATE XI

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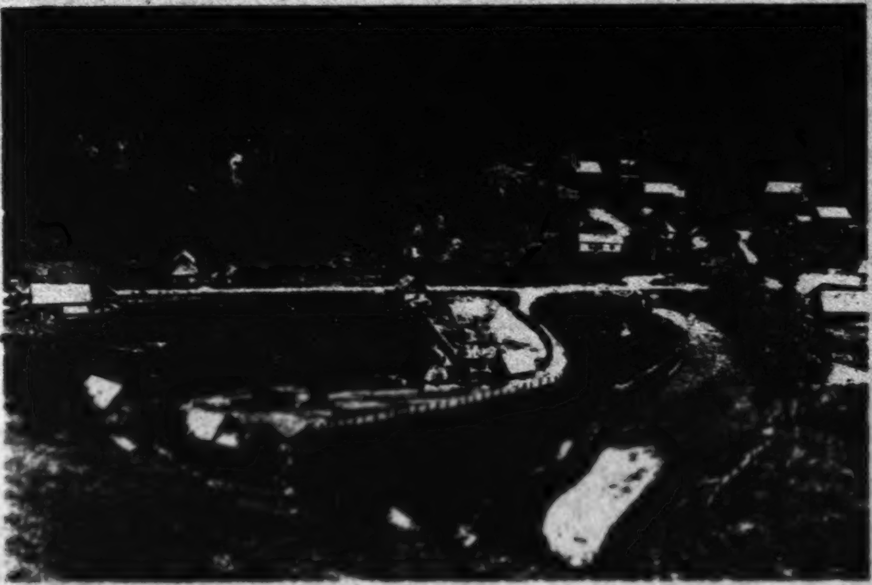

This is part of the area mapped in Fig. 11. The photograph is taken from the top of the porphyry spur shown in Fig. 9.

Photo R. A. Pelham.

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A peasant holding at Corbu in process of sub-division. A son about to marry is erecting a house (pale on left) on his share of his father's land. The parental farmstead extends across the right-hand half of the picture. A strip of maize is seen in the foreground and a small patch of hemp on the extreme left, close to the new house. For plan of holding see Fig. 11.

Photo R. A. Pelham.

[facing page 68]

423 dealt with a considerably larger area. Forty-six holdings were between one and two, 18 between two and three, 8 between three and four, 3 between four and five, and 2 larger (8.8 and 19.5) hectares in extent. These holdings do not necessarily represent the whole of the land owned by a peasant.

LAND UTILISATION.

311 BROADLY SPEAKING, the land within the commune may be divided into three categories: the alluvium of the Bistricioara valley and the lower portions of its tributary valleys which is devoted to arable farming; the deforested lower slopes of the valley sides, together with the broad upper portions of some of the tributary valleys and odd patches of level ground here and there which are reserved for hay; and the rest, which is forest with the exception of the small high-altitude clearings that provide summer pasturage for the transhumant flocks and herds.

311 423 ABOUT 58 per cent of the land belongs to the state, 37 per cent to the commune, and the rest, comprising about 400 hectares, is owned by the peasants. These 400 hectares represent the arable land of the commune, whilst the state lands are entirely forest. The commune lands include a certain amount of forest, together with the hay meadows and summer pastures. The law tries to make peasants plant trees to replace those that they cut down.

CROPS.

● 241 [262] IN the arable area the outstanding crop is maize, from which "mamaliga," the staple food of the peasants, is made. It is sown at the beginning of May, two hillings, separated by an interval of three or four weeks, are made during June, and the crop is harvested between September 25th and October 10th. Potatoes, hemp, flax, lucerne (of which three cuttings are usually made), a little rye, sunflowers and vegetables are grown, mostly in very small patches, giving the impression of garden, rather than field, cultivation. Occasionally a small orchard adds further variety to the general pattern.

246 THE HAY CROP is of vital importance, as in all mountain communities of this kind throughout Europe. It is harvested

4:Fleure S-5 (nc date)1936 EDl Rumania EDl

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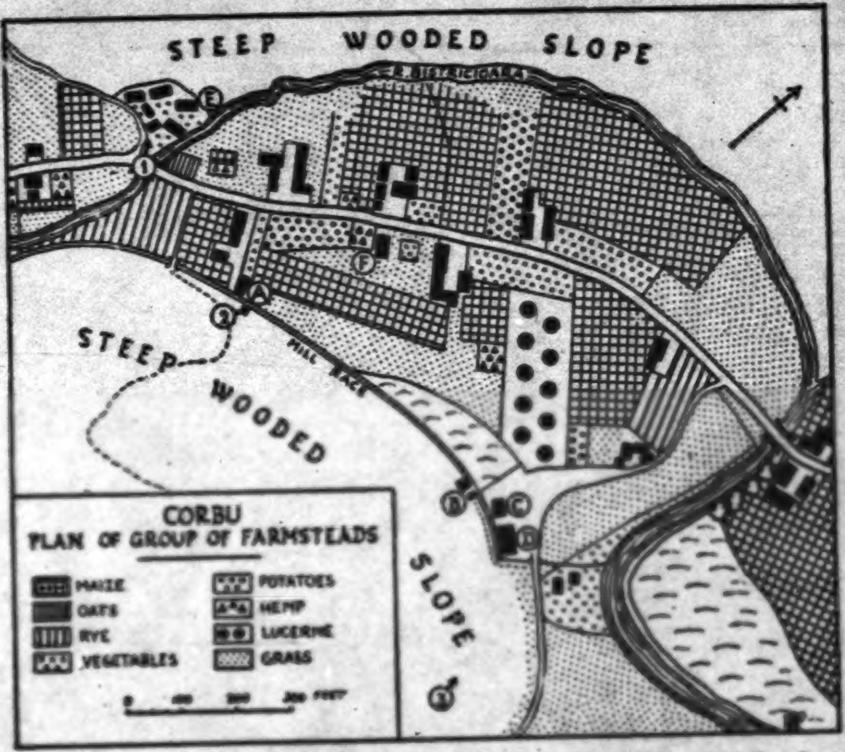
STEEP WOODED SLOPE
R. BISTRICIOARA
STEEP WOODED SLOPE
MILL RACE
A
B
C
D
E
F
①
②
③
CORBU
PLAN OF GROUP OF FARMSTEADS
MAIZE
OATS
RYE
VEGETABLES
POTATOES
HEMP
LUCERNE
GRASS
0 100 200 300 FEET

FIGURE 11. A = Joinery mill. B = Smithy (Plate XII). C = Wool-combing shed. D = Saw-mill. E = Gipsy colony. F = Holding in process of subdivision. Numbers refer to position and direction of camera: (1) Plate XII (lower), (2) Plate XI (lower), (3) Plate XI (upper).

246 in the Bistricioara valley in the early part of July, the peasants then working up the hillsides to the higher meadows where the hay-making is completed about the third week in September. What is not needed in the village byres is stacked on the lower slopes near the sheep pens in which the animals are housed during the winter months.

221

TRANSHUMANCE.

TRANSHUMANCE forms an essential supplement to arable farming in Corbu, for the cultivable land is too valuable to be used for grazing purposes except for a short time after the harvest, whilst the produce of the hay meadows is required for winter feed.

FARMING AROUND CURTEA DE ARGEŞ

AMY R. BURGESS

133 IN THE region of Curtea de Argeş the river flows in a valley of varying width, floored with fine sandy alluvium and bounded by somewhat rounded hills. Some traces of river terraces are discernible.

THE LAND of this region can be divided into four categories:
(*a*) arable, (*b*) hay meadows, (*c*) forest, (*d*) high mountain
pasture. The arable land is principally on the first terrace,
but stretches both down the slope to the valley bottom and
up the slope to the second terrace. The hay meadows are
above the arable land, spreading upwards towards the
[137] forest. The forests comprise 75 per cent of the total area,
and consist mainly of timber trees, such as beech and pine,
together with a considerable number of walnut trees. The
high pastures are above the forest belt and may be as much
as fifty kilometres away from the village centre of the commune to which they belong.

423 THE ARABLE land is owned by the peasants, holdings ranging
from less than one hectare to fifty hectares, the majority
being from two to five hectares. The smallness of the holding
[428] is due partly to the laws of inheritance, by which the land is
divided between the children on the death of the owner,
and partly to the fact that the district is so hilly that only
small areas are available for cultivation.

241
476 THE HAY meadows belong to the commune and are both worked and used collectively by the peasants, all necessary organization being in the hands of the mayor and committee.

471
[313] THE FORESTS are largely state-owned, although some portions belong to the commune, in which case the peasants are allowed to cut for their own personal use (house-building, implements, etc.), but not for profit.

[283] THE HIGH pastures belong to the commune; the peasants pay a small fee to the commune for their use (20 lei per head per season for sheep, rather more for cattle).

132 AN IMPORTANT climatic feature affecting agriculture is the shortness of the summer, late spring and early autumn frosts

241 Paid agricultural labour is very rare; the work of the farm is done entirely by the peasant and his family, including women. Modern machinery is still almost unknown, so that agricultural practice is rather that of the garden than that of the field in our Western sense.

Ploughing is done with a wooden plough tipped with iron and ox drawn. Sowing is done largely by hand, while intermediate operations, such as hilling the maize, are done with a hoe of the form illustrated on page 59. Harvesting, if not done by "pulling" (e.g. flax), or picking (e.g. fruit), is done by means of a sickle (maize) or scythe (hay).

[242] Among some farmers some idea of rotation of crops is understood, but only very imperfectly; in many cases it is not practised at all, the same plot of land being used for maize year after year.

Artificial fertilizers are seldom used, peasants depending for renewal of fertility upon animal manure and ploughing in and burning the stubble. Under these circumstances it is not surprising that the yield is low and crops poor in quality.

[221] Sowing begins at the end of April or the beginning of May (oats) and continues until the middle of June. Harvesting begins as soon after July 20th as possible and continues until the end of October, when the last of the maize is gathered.

231 Animals play an important part in the agricultural economy of the Rumanian peasant. Every holding possesses sheep, particularly milking ewes, milking cows, draught oxen, perhaps a horse or horses, pigs, together with geese and fowls. Few holdings are without one or two hives of bees. Occasionally on a very small holding (less than one hectare) milking cows are replaced by goats. During the summer (from the beginning of May until the end of August) the sheep and such cattle as are not needed at the farm for draught or milking purposes are sent up to the high pastures. Pigs are sometimes sent up with them, but not goats. During this time the animals left are either fed on fodder crops at the farm or are sent out daily to pasture on a portion of the hay meadows set aside for that purpose. On being brought down from the mountains the animals are pastured for a short time on the hay meadows from which the crop has already been taken. They are then brought back to their

231 owner's farm, where the cows are kept in sheds, and the sheep, which are more hardy, are penned on the arable land, particularly on the maize stubble. Both sheep and cattle are fed on fodder crops during the winter. The surplus animals are sold at the autumn fair, and form a source of revenue.

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[234] WHILST ON the high pastures the sheep are clipped twice, and the wool is divided amongst the peasants in proportion to the number of animals sent up. The cheese is usually shared by the owners of the animals in the same way, the mayor and his committee being responsible for the correct apportionment. In the Valley of the Argeş co-operative dealers from Bucharest frequently buy the cheese "in bulk" direct from the commune, and the monetary value is shared between the owners of the animals.

231 OXEN ARE used almost exclusively for draught purposes, the numbers kept in this district being somewhat in excess of the farmers' requirements, owing to their use for lumbering (see below).

241
[369]
[438] PEASANT FARMING in the Valley of the Argeş is no longer entirely on a subsistence basis. Two factors have tended to modify it. Firstly, the position of the valley, opening as it does directly on the Wallachian Plain, with its rich grain lands and containing the capital Bucharest, has allowed commercial intercourse to develop. The Argeş peasant no longer cultivates wheat; he does not mind if his maize crop is good enough for fodder only, for he can buy both wheat and maize from the plain. Further, he finds a ready market and so a money income in Bucharest for his surplus fruit, 313 particularly apples, and cheese. Secondly, the forests form a valuable asset to the peasant. During the winter felling takes place in the upper basin of the Argeş; in spring and summer the timber is transported, and work in the State mill in Curtea goes on all the year round. Practically every household has somebody working in the timber trade, and the money so earned (as much as 100 lei per day for a man supplying his own yoke of oxen) reduces the dependence of the family on the farm.

874
242 AT CURTEA DE ARGES is the School of Agriculture, Regina Elizabeta. Although only a small percentage of its pupils is local, it is gradually influencing the farming of the neighbourhood. Experiments in cultivation, plant breeding and

874 the use of machinery are carried on at the school. Advisers
242 are sent out to the farms, and seeds and plants, as well as
artificial manure, are supplied to the peasants at a very low
cost. Machinery is also loaned out cheaply. The average
[157] peasant, however, is very conservative, and progress is slow.

SOME DETAILS OF TWO FARMS: AUGUST 1936

FARM A

423 **SIZE**: one half-hectare approximately. This farm is situated
241 approximately two miles north of Curtea de Argeş.

THE HOLDING consists of a narrow rectangular strip, bounded on one of its long sides by a rough lane and on its short side by the main road. The ground is fairly level and sufficiently above the river to be well drained. (See Plan A for utilization of land and arrangement of buildings.)

Animals

[231] 2 milking cows, 2 calves (at farm), but no oxen (this was unusual).
10 sheep, away on high pastures.
3 pigs, at farm.
10 geese, 6 ducks, 50 hens.

FARM B

SIZE: Five hectares approximately. This farm is situated at Corbeni, several kilometres north of Curtea de Argeş, at a point where the river valley widens out and the river braids. The farm is situated on the second terrace. The plot is rectangular, with its narrow side bordered by the road and its long side running parallel to the river, thus giving a well-drained but flat holding. The son of the owner holds a diploma for agriculture and the farm shows every evidence of prosperity. See PLAN B for utilization of land and arrangement of buildings.

SMALL PEASANT HOLDING

(Farm A)

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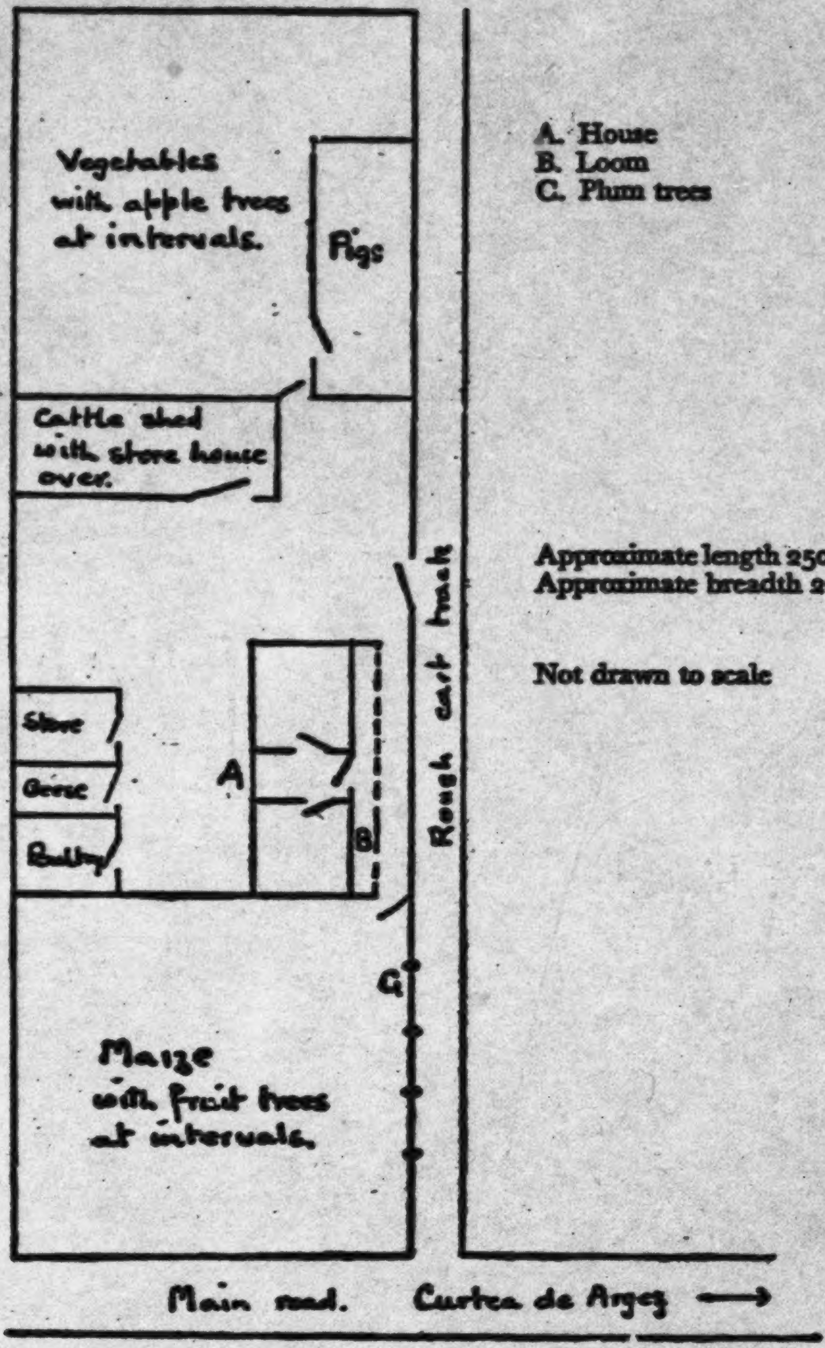

Vegetables with apple trees at intervals.
Pigs
Cattle shed with store house over.
Store
Geese
Poultry
A
B
C
Rough cart track
Maize with fruit trees at intervals.
Main road.
Curtea de Argeş →

A. House
B. Loom
C. Plum trees

Approximate length 250 m.
Approximate breadth 20m.

Not drawn to scale

Drawn by A. R. Burgess

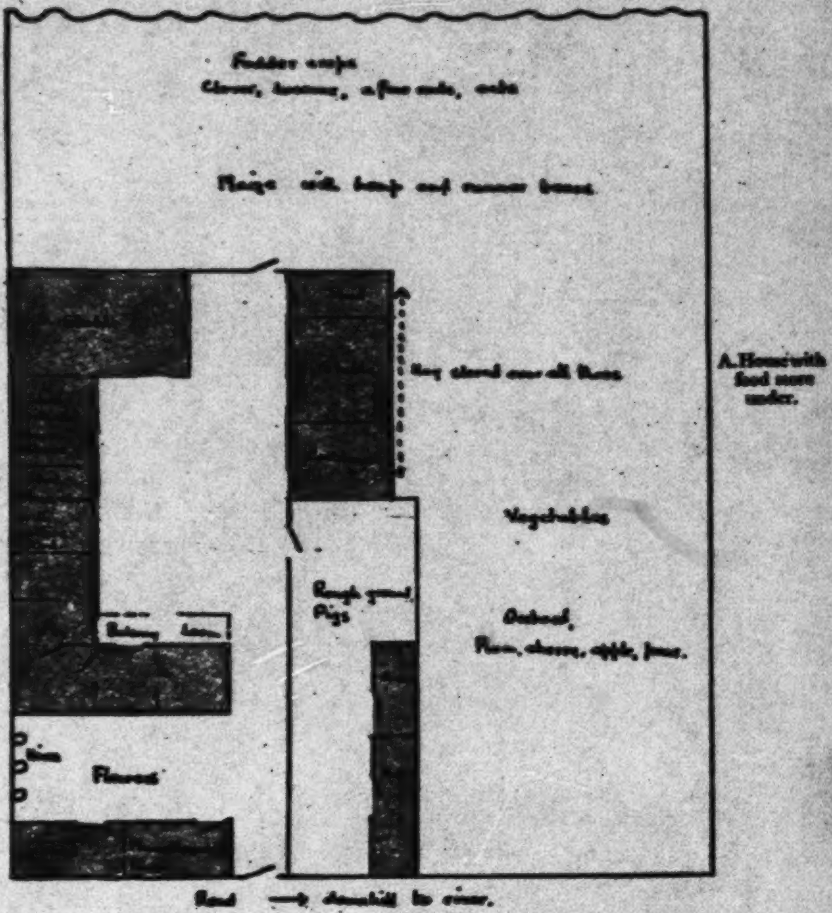
[Page 44]

241
423

PLAN OF LARGE HOLDING

(Farm B)

Approximately 5 hectares
Not drawn to scale.


Fodder crops
Clover, lucerne, after oats, oats
Maize with hemp and runner beans
Hay stored over all these
A. House with food store under.
Vegetables
Rough ground
Pigs
Orchard,
Plum, cherry, apple, pear.
Baking oven
Bees
Flowers
Road → downhill to river.

Drawn by A. R. Burger

be a determination in government circles to go a long way to satisfy most of the just demands of the minorities and to avoid as much as possible giving cause for irritation; at least Professor Iorga's declarations in the Rumanian Chamber on Dec. 14th, 1931, can be regarded as inspired by a spirit of sincerity and goodwill that constitutes a sure basis for an understanding. Among other things he affirmed: "We have no desire to create hypocritical Rumanians out of minoritarians, for he who renounces his past and sells his soul in order to secure advantages, is no gain to the people to which he transfers his allegiance, but rather a corrosive poison for the soul of that people. We must not frighten the minorities by an oppressive policy on the part of the Rumanian State, and by an absence of fraternal sentiments on their behalf amongst the Rumanian people; for it is not by such means that we shall consolidate our position, but rather by collaborating with the minorities and by respecting their most elementary rights."

Both the Hungarian and the German minorities constitute extremely valuable elements for furthering the general progress of the country, because, standing culturally higher than the Rumanian element in all domains of activity they can serve as examples to the latter. This is particularly noticeable in farming; the German villages especially constituting veritable model farms which have powerfully contributed to [241] the general dissemination of the more advanced agricultural methods used in Transylvania.

This intercourse between these three peoples has reacted very favourably on the Rumanians of Transylvania, who from every point of view stand at a much higher level than their brethren of the old kingdom. In fact, however unpalatable this truth may be to the latter, it must be frankly declared that the main chance of a regeneration in Rumanian political life can come only through a larger participation in it of the Transylvanians, who certainly have a clearer conception of their civic duties than is prevalent south of the Carpathians. The marked pre-eminence of the Transylvanians over other sections of the Rumanian people must be ascribed to their having been in contact with Germans and Hungarians, though the latter by their oppressive methods neglecting the peasants; on the contrary, they saw in them a 661 numerous and profitable crowd of clients for the banks, the 423 majority of which were under their control. The less pecuniary aid the peasant obtained from the State, the greater would be his need of the private bank or usurer. And so well did the latter entangle the peasants in their tentacles that within ten years of the enactment of the Land Distribuion Act the debts contracted by the peasants had surpassed the value of their lands. Thus the much-belauded agrarian revolution in Rumania was threatened with complete failure, and so another revolutionary measure had to be passed, the strangely-termed "law for the sanitation of agrarian debts," in order to save the peasantry from being dispossessed of their land.

311 The *Argus* of 13th February, 1932, published the following 241 table which shows how the land was actually distributed:

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Area of properties.		Total hectares.	Percentage of area.	Number of proprietors.	Percentage of total Owners.	Average area of farm for each category.
Up to 5 hectares	...	6,280,993	43.60	3,731,403	84.20	1.94
5 to 10 hectares	...	2,919,863	20.20	435,715	11,30	6.70
10 to 50 hectares	...	2,392,689	16.60	148,860	3.90	16.07
50 to 250 hectares	...	1,505,257	10.40	18,122	0.50	83.06
Over 250 hectares	...	1,305,670	9.10	2,597	0.10	502.00
Total	...	14,404,462,	100.00	3,836,757	100.00	3.75

As one hectare sown to wheat yields approximately 1,200 kg. of wheat, and the average price of wheat during 1931 was about 2.25 lei, the revenue per hectare may be reckoned at about 2,700 lei. As the average holding of 84 per cent of the peasantry is about 2 hectares, the paper assumed that the revenue of each peasant household amounted approximately to some 5,400 lei, or about 160 gold francs. For the 241 year 1931 the total revenue from agriculture was computed 434 at 46,500 million lei, of which 21 milliards were derived from the cattle-rearing industry, 21 milliards from cereals, and 4½ milliards from other plants. Other crops were even less profitable; thus the average price of maize was 1.50 lei per kg. and the yield 1,500 kg. per hectare, so that the revenue per hectare amounted to 2,250 lei, and the figures for barley were respectively 2 lei, 1,400 kg., and 2,800 lei.

AGRICULTURE

It was the policy of imposing export taxes on all agricultural produce, which despoiled the peasantry of all the legitimate profit they should have made on the marketing of their grain, and which not only tended to discourage them from increasing the area under cultivation but prevented them from consolidating their position as independent farmers. Indeed, had not the Rumanian peasant been unduly burdened with taxes during the years following the conclusion of the war, when cereals fetched highly remunerative prices, he would undoubtedly have been able to make sufficient money to equip himself with the necessary instruments and cattle for his farm, avoided running into debt, and he would even have been able to constitute a small reserve on which to draw in the lean years. But these possibilities were frustrated by the culpable negligence of his rulers. And yet there were plenty of men who clearly foresaw and foretold the disastrous outcome for agriculture of such negligence, and protested against this system as well as against the undue partiality accorded by Government circles to industry in general. Certain organs of the Press continued for years to warn the public, and to deprecate the disastrous policy that was being followed. But it was in vain, the Bratianus would accept no counsel from anyone. The *Argus* on October 21st, 1926, commenting on this theme, drew the following conclusions:

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"From the above-cited appreciations one may infer that on one hand the prices obtained by the producers are below those they secured before the war, while on the other hand the prices of the articles they need for their upkeep are at about 70 per cent above the pre-war level. In spite of these facts all these taxes which burden production are being maintained, and agriculture is placed not only in an impossible situation for developing itself but in a state of inferiority when compared with that of other countries which export cereals."

In another article published by the same paper on October 10th, 1926, we find a similar pessimistic strain: "From the above figures it becomes obvious that agriculturalists instead of making a profit have lost money, both this year and in previous years of drought. Such a result has completely discouraged them, especially the 101 younger among them..!"

000 previous years of drought. Such a result has completely discouraged them, especially the younger among them. . . ."

499 241 And it was not only the export taxes which impeded the development of agriculture, but also the deplorable state of the whole transport system. The shortage and deficiencies of the latter would have been very easily remedied with foreign aid, but the Bratianus were deaf to all such suggestions, though the imperative necessity of eliminating these defects was daily insisted on in the Press. Here is yet another excerpt from the *Argus* of October 8th, 1926, and it will be found both apposite and illuminating on this subject:

"So long as the Railway Administration does not dispose of adequate funds to obtain the necessary rolling stock, nothing can be done. Without locomotives, without trucks, without warehouses, a transport system is helpless in a country like ours, which cannot develop without exports. In order to stimulate and encourage the production of our soil, the subject of the re-establishment of our means of communication by land and water ought to be constantly in the minds of our governing circles. We have paid no heed to this truth during the eight years following the war, and as a result, if we except Russia, our country is the hindermost in Eastern Europe as far as transport is concerned. For this reason, in almost all railway stations quantities of grain remain for months waiting for trucks, to the immense prejudice of the producers and the merchants. The capital which is thus immobilized for so long a time, when interest rates are soaring fantastically, the warehouse dues, the loss in quantity and quality of the cereals through exposure and theft, are some of the factors which are contributing to the ruin of our agriculture and of our commerce in cereals. . . ."

651 241 To these complaints and remonstrances, however, the Government turned a deaf ear, and it even went farther and threatened to impose still heavier burdens on this harassed industry by an increase in the land tax. The injustice of this contemplated measure was exposed at length by Dr Ernest Ene in the *Argus*, who marshalled figures and facts to prove that, in comparison with other industries, agriculture had so far been treated as a Cinderella, although it had furnished

to the State a very notable portion of its revenues. According to the figures cited, the total value of the products of industry during 1924 was about 20,000,000,000 lei, while the taxes derived from industry amounted to 488,858,000 lei only. But even this yield was only apparent, for the preferential rates granted for the transport of local industrial products and other subsidies more than absorbed this sum. Agriculture, on the other hand, with an output amounting to 60,000 million lei, contributed revenue to the extent of 7,000 million lei to the State, of which more than 761 millions was in the form of the land tax. Another writer in the *Argus* of November 26th, 1926, is equally indignant at this threatened increase in the land tax, and finds that the 8,000 million lei which the peasantry contributed indirectly to the State revenue, mainly through the export taxes, is already a disproportionate burden. In fact by 1929 agriculture, including cattle rearing, was reckoned to contribute 122 milliard lei to the national revenue, which was calculated to amount to a total of 175 milliards. The remissness the Government displayed towards the agricultural population was bound to have yet further regrettable results, namely, the decrease in the quantity and quality of the yield of cereals. Devoid of means, the small farmers (whose average holdings amounted to less than 5 hectares and represented 60 per cent of the cultivated area and 90 per cent of the rural population) were unable to buy decent seed grain, so that the quality of the cereals grown deteriorated and the yield per hectare steadily decreased. This fact was persistently pointed out by intelligent agriculturalists in the Press. Commenting on the increasing deterioration of the maize crop, a writer in the *Argus* of November 10th, 1926, stated: "The average yield of maize per hectare for the last five years has sunk to 10 hectoliters, while in the United States it is 22.7 and individual farmers who apply more rational methods obtain more than 40 hectoliters. . . . It should be noted that both the climate and the soil of the U.S. are far inferior to ours. . . ." Yet another agricultural engineer, in a series of articles published in the *Argus* in November, 1926, asserted that if good seed corn were distributed to the peasantry there would be an immense increase in the yield

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241 of at least 30 per cent in three years, which would represent an increment of 20,000 million lei to the national income, and the writer proceeded to show how erroneous it was to continue following a policy of encouraging industry, since the latter could never yield similar results in so short a time no matter what amount of capital was invested in it. He further enlarged on the necessity of creating a system of credit institutions which would offer loans to the peasantry, for the latter had been completely abandoned to themselves, and he stigmatized the attitude of the Government in this respect as "a policy of complete economic aberration."

241 423 There are many who attribute the decadence of agriculture in Rumania to the Agrarian Reform, but this is an altogether gratuitous conclusion, though in a particular sense their assertion is correct. One may, for instance, take it for granted that had the large landowners subsisted, owing to their political influence they would never have allowed the Bratianu Governments to institute such legislation as rendered the marketing of agricultural produce impossible on a remunerative basis. Indeed the cultivation of the soil had ceased to be a profitable one even as early as 1924, and large farmers employing paid labour could not make enough out of their produce to cover their outlay plus the normal rent of their farms. This was exposed at length in the *Argus* of July 29th, 1926, and the paper attributed to this cause the decrease in the area sown with wheat in Moldavia and Bessarabia, where the best corn lands in Rumania are to be found. One could further infer from the arguments invoked that it was only the smallholder who could persevere in such a disadvantageous occupation as agriculture, because he neither stinted his efforts nor valued at its true worth the amount of labour he expended on his own land, such being the traditional attitude of the peasant. M. Dobrogeanu-Gherea, in his informative book "Neoiobâgia," relates how the peasantry persisted in cultivating their land in the neighbourhood of Ploeşti after 1907, when owing to the development of the oil industry the price of land had increased to such an extent as to render agriculture an uneconomical occupation. Thus, while a pogon[1] of land was let at 50 lei,

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[1] One pogon is equivalent to 5,012 sq. metres.

the price of the quantity of maize grown on it would fetch 241
only 40 lei; nevertheless the peasant owner persisted in culti- 423
vating his patch of land because he felt ashamed to allow it to lie fallow, having always been accustomed to cultivate it, and buy the maize he needed instead, for which, however, he would probably have to pay a somewhat higher price than the 40 lei at which he could have sold his own (p. 111). So that, far from exerting an adverse influence on production, the breaking up of the large estates has, on the contrary, proved to be the salvation of the industry, for were it not for the abnegation and attachment of the individual smallholder to his farm, agriculture would have been completely ruined by the policy imposed by the Bratianus. Indeed, one cannot but admire this profound devotion of the peasant to the land and his dogged persistence in carrying on, despite the odds which confronted him and the utter lack of encouragement he met with from the State. We may take it for granted that the small farm of five hectares was more productive than the large estates, even from official statistics. This peculiarity was commented on in the *Cuvantul* of July [65]
23rd, 1927, which at the same time decried the maladministration of the then Finance Minister, M. Vintila Bratianu, and his threat to increase the land tax. That paper contested the official statement that the land tax in Rumania amounted to one gold franc per hectare, as this affirmation would cast a slur on the country. In fact it was estimated that in 1924 the export taxes on cereals had yielded the equivalent of a tax of 8 gold francs per hectare.

The determined perseverance of the peasantry could not undo the harm caused by the erroneous agrarian policy pursued, and the situation could not but grow worse with time.

So that when finally the National Peasant Party assumed 241
power at the end of 1928, the situation had become so hope- 423
less that the Rumanian Government even contemplated 511
organizing a mass emigration to France and her colonies in 167
order to relieve the strain. Early in 1929 the Press, commenting on this unexpected decision of the Government to encourage emigration, admitted that the cause of the disastrous condition agriculture had reached in Rumania could

241 be clearly traced to the carelessness with which the law of
423 land distribution had been drafted, and to the utter neglect
[51U] to provide financial means for its rational application, as well
167 as to the export taxes on agricultural produce. The outcome was appalling, as may be judged from an article in the *Cuvantul* in which, after dilating on the causes that had brought about this disaster, it was asserted: "We are obliged to admit that the entire rural population had reached a state of pauperism at a time when we should reasonably have expected it to be thriving, since it had been endowed with lands. It seems a paradox, yet we have only wrecked the old system of production, founded on the unjust system of latifundia, in order to replace serfdom by pauperism. At the time of the large estates the rural worker had no need to emigrate; on the contrary, there was a shortage of labour, and foreign labourers had to be admitted from neighbouring countries. To-day, however, we are forced to direct the rural population abroad so as to save it from starvation; that is the situation we have reached ten years after the enactment of the expropriation laws. . . ." According to the *Adeverul* of March 29th, 1929, the Minister for Agriculture, speaking about the state of that industry, drew a very dark picture and lamented the wretched condition to which agricultural production had fallen. Rumanian agriculture, once the source of wealth and the economic basis of the State, was, he said, on the verge of ruin. The Minister not only condemned the culpable manner in which the land distribution law had been carried out, but also denounced the laxity and incapacity of the functionaries who had been appointed to show the peasants new methods of cultivation. According to him, the so-called model school farms were a positive dis-
241 grace. . . . Apparently matters have not improved since, for as late as March, 1932, one could read in the *Ellenzek*, a
874 paper published in Hungarian at Cluj, that the Hungarian Cultural Association of Transylvania had decided to present a petition to the League of Nations to demand the creation of an agricultural school destined exclusively for sons of Rumanian citizens of Hungarian nationality. One ought not to feel surprise that the Hungarian minority, convinced of the glaring ineptitude of the Rumanian administration, had

at last been compelled to assume at its own expense the pro- 241/874 fessional training of its youth.

It is sad to record that even in educational institutions 658/871 the remissness which has characterized Rumanian administration has not been adequately grappled with, and it is not surprising that the laxity manifested in this particular domain should appear especially odious to the national minorities in Rumania, which have a different moral conception of life than that of the predominating nationality. That there is much to be done in this department is obvious to all, owing to the persistence of the complaints. A storm of indignation was raised by the scandalous condition of the College of Salonta, in Transylvania, in which some 400 Hungarian and Rumanian students were being educated. Of this number of students, 50 per cent were incapacitated, owing to the disgusting lack of hygiene prevailing, and the anarchic system on which it was conducted. The parents of the students had to petition the Minister of Education to obtain amelioration of the methods in vogue, and the details exposed were so revolting that the *Cuvantul* of March 28th, 1929, commenting on them, more or less admitted that such facts justified the opprobrious epithet of "putrid Wallachs" conferred on the latter by the Hungarians.

From this it may be deduced that agriculture had already 241/565 been ruined through the culpable remissness of Rumania's rulers before the present crisis made itself felt. The country was caught like some disabled ship by the economic hurricane which suddenly sprang up, and materially it is suffering intensely, because in its battered condition it finds it difficult to weather the storm. Fortunately, the peasantry has been used to a life of suffering and hard toil; the peasants are patient and long-suffering to an extent inconceivable in the West. Docile and good-humoured, they put up with a situation that a Westerner would long since have found intolerable and against which he would have revolted. Poverty-stricken and unguided, the peasant has not only been left to provide the means wherewith to develop his farm, but at the same time he has been forced to supply from his own scanty resources the needs of the urban populations and the bulk of the funds requisite for carrying on the administration

241 565 of the State. It is this utter lack of consideration for this hard-pressed mass of humanity that raises the indignation of the foreign observer against those who, through the cruel irony of fate, have been called upon to look after the destinies of this luckless people. The selfishness, incapacity, and corruption of which they have given proof can only be compared to that moral disintegration existing under the Tsarist régime, and one should not feel surprise if finally the same developments supervene. The rural population is absolutely sick of the present system and has lost all faith in its politicians.

[668] An important meeting was held early in 1932 at Focşani by fruit-growers and viticulturists, who may be considered to represent the more intelligent classes of the rural population, and the prevalent opinion expressed by the delegates was to the effect that no alleviation could be expected so long as the present system was maintained, and that Bolshevism held out better prospects. This did not cause any alarm, and passed almost unheeded, save for some mild criticism from one of the veterans of journalism in Rumania, M. Batsaria, who, in an article which appeared in the *Adeverul* on January 20th, 1932, admitted that this attitude was significant, yet opined that it was not aimed against the Crown, which at the time was being very roughly handled by General Averescu in the Press campaign the latter had just launched.

241 433 In spite of the culpable neglect with which agriculture has always been treated, the industry remains Rumania's mainstay and sole hope of survival. The whole social life of the country, even its future existence, depends on the normal development of agriculture, which provides not only the food, but also the raw materials for the more promising sections of the country's budding industries, and the means wherewith Rumania can pay for the indispensable articles she imports from abroad, as well as for the payment of interest on her public debt. It is a matter of grave concern, therefore, that the average yield of cereals per hectare should have steadily diminished in the last nine years and sunk below the pre-war average of 1,130 kg. per hectare. If nothing be done to remedy this evil Rumania,

owing to the natural increase of her population, will in a 241
couple of years have no more wheat available for export, [423]
and in ten or twelve years it will be the same with maize. It
is imperative, therefore, for the Government to take without
delay the steps necessary to increase the yield. This can
only be done if the State will undertake to provide selected
seed corn, to establish rural banks to enable the peasantry
to obtain advances of funds at cheap rates in order to buy
machinery and implements, and to create model farms in
which more modern methods of cultivation might be demonstrated
practically. If grain elevators were also constructed
in important agricultural centres, and adequate storage
accommodation made available, it would be easy to advance
money to farmers on the security of the cereals they could
store as a pledge. And if Rumania decided to return to 241
methods of legality and offer safeguards to foreign capital 454
there would be no difficulty whatever in obtaining all the
capital she requires for financing such operations, as they
would then prove perfectly sound. It is this utter lack of
capital which has handicapped the development of agriculture
since the war, for the smallholder had to pay usurious
rates of interest (40 to 60 per cent being current), while prior
to the war large owners could obtain advances from the
banks on very reasonable terms. It would be altogether 423
unjustifiable, therefore, to assert, as some people allege, 241
that the breaking up of the large estates had led to the 454
decline of agriculture. On the contrary, it is this measure
which has permitted agriculture to survive, for owing to the
systematic diversion of capital from agriculture to industry,
the owners of the large estates would have found themselves
in a worse fix than the smallholders if they had continued to
exist and therefore required advances for the maintenance
of their estates, as was formerly their wont. Without liquid
assets they would have found themselves utterly unable to
carry on the cultivation of those large estates, while the
smallholder, by dint of hard work and privation, has managed 241
to keep his patch of land under the plough. Some 423
persons may retort that, if the breaking up of the large 426
estates had proved to be a practical operation, the rural
population would not have run into debt to the extent of

241 423 426 some 80 milliard lei, and obliged the Government to pass the law decreeing the conversion of agrarian debts, in order to save the peasantry from the predicament of being dispossessed of their land by their creditors. The large owners, however, were in as bad a plight and perhaps worse off, for when the legislation concerning the cancellation of agrarian debts was under discussion in the Chamber, the director of the *Argus* suggested that Ministers and deputies should be excluded from being among the beneficiaries of the proposed law, so that they should not be accused later of having passed such a revolutionary measure mainly for self-interested motives. His suggestion was not supported, a fact which would tend to prove that large owners were perhaps more insistent on the adoption of this measure than smallholders, to many of whom it has proved highly prejudicial.

That the agrarian revolution did not solely profit the peasantry, and that others took advantage of it to appropriate lands to which they had no right, and that the latter were more insistent on the voting of the law for the conversion of agrarian debts, is an undisputed fact. This is proved also by an interview published by the *Adevarul* on September 9th, 1930, in which Prof. Iorga was reported to have said: "When the expropriation of the large estates was carried out many mistakes and injustices were committed. Real cultivators were not endowed with land in order that in their place land should be bestowed on various political partisans, electoral agents, and others who had nothing in common with the land or agriculture. Having thus secured the land, they set about to increase their holdings by buying up with borrowed money adjoining tracks, and started exploiting them on American methods. But their calculations were erroneous, because with us agriculture is not profitable except for the owner who himself cultivates his land. This category of landowners should not be assimilated with the peasantry, and the State should not assume charge of their debts." This wise recommendation, however, was not followed, and large owners were permitted to a certain extent to take advantage of the law of conversion of agrarian debts.

241 426 453 That it was absolutely indispensable to extend some help to the peasantry no one will dispute, but this law of con-

version of agrarian debts will probably do more harm than 241
good in the long run, not only because it has undermined 426
confidence and ruined the banks, but also on account of the 453
adverse effects it will have on agriculture itself, for it brings no relief to the peasant in the way of obtaining the credit facilities he needs, but on the contrary it renders borrowing now almost impossible. Prior to the promulgation of this law both banking institutions and private persons who had lent money to peasants were ready to help them, if by so doing they could recover part of their debts; there was a certain sense of solidarity between creditor and debtor; now, however, that the law has arbitrarily stepped in between them and settled their relations, practically ruining the creditors, the latter have no longer the means nor any interest to assist their debtors. Another disastrous outcome of the law is the loss of all the savings which the more industrious among the peasantry may have had, and which naturally were placed in the keeping of the rural banks now rendered insolvent. It is calculated that these sums amount to some 6 milliard lei. This law, therefore, instead of encouraging the more progressive peasants, has ruined them and reduced them to the level of the more indolent. Another drawback in this law is that it subjects all land, the owners of which take advantage of its clauses, to a certain legal servitude for 30 years, precluding the owners from mortgaging it and contracting loans, although the securing of fresh credit constitutes their most pressing need. It may be taken for granted that, in consequence of this law, the area sown will be considerably less in extent this year, owing to the impossibility for the peasants to obtain timely advances for cultivating their fields, and also to the discouragement of the most enterprising among them, who lost their capital through the failure of the banks.

This law, if not repealed, will be yet another obstacle to the creation of a rural mortgage bank, of which the country is in such dire need, for peasants taking advantage of the conversion law cannot mortgage their holdings. The necessary preliminary for the normal working of such an institution would be the creation of cadastral registration, which is non-existent in the country. If the Rumanian Government

241 really intended to revert to a régime of legality and to the
421 granting of adequate security to foreign capital, there would
453 be hardly any difficulties in its obtaining the necessary aid from abroad in order to permit the establishment of such an institution, and in order to save time it would be politic on its part if without further delay it took the requisite steps to prepare a cadastral register or ground-book. Such measures of self-aid would prove more efficacious than the solicitation at international conferences of preferential rates for Rumanian agricultural produce. For they would help to convince foreign investors that Rumania had at last decided to put her house in order, a decision which, if seriously taken, would probably cause foreign capital to come to her aid and bring to her corresponding or equal advantages to those she would derive from the obtaining of the preferential rates for which she is now craving as a favour from industrial States. There are no insuperable obstacles to the salving of Rumanian agriculture. All that is needed is cheap credit and the lowering of the cost of industrial products used by
241 the peasantry. These *desiderata* may be secured whenever
461 the Government decides to change its methods and adopt as its guiding principles honesty, retrenchment, and austerity. After all, the peasants have done more than their share, and no greater effort can be demanded of them. One who has witnessed the long heartbreak of endless and often unrequited labour that has been their lot, and the fortitude with which they have faced the apathy the State has so far shown towards them, can have no doubts as to the response a little encouragement would evoke from them. Without decent seed grain, and with the most primitive implements, it was but natural that the yield per hectare should decrease. Nevertheless, the steady although small increase of the area under cultivation is a convincing proof that the peasants have never stinted their labour and that they are determined to persist to the extreme limits of human endurance in their efforts to wrest a bare subsistence from the soil. The following table will be found to confirm fully what has been stated
241 above, namely, that while the area cultivated has been
433 maintained, the yield per hectare is on the whole diminishing:

	Average for 5 years 1922—1926		1927		1928		1929		1930		1931	
	Area sown in 1,000 hectares.	Output in 1,000 quintals.	Area sown in 1,000 hectares.	Output in 1,000 quintals.	Area sown in 1,000 hectares.	Output in 1,000 quintals.	Area sown in 1,000 hectares.	Output in 1,000 quintals.	Area sown in 1,000 hectares.	Output in 1,000 quintals.	Area sown in 1,000 hectares.	Output in 1,000 quintals.
Wheat	2,886	24,250	3,118	26,320	2,814	31,440	2,664	26,000	3,056	36,000	3,486	36,800
Rye	257	2,300	277	2,470	319	2,910	310	3,400	391	4,600	407	3,000
Oats	1,197	9,530	1,165	8,420	1,204	8,980	1,200	13,600	1,087	11,900	871	6,700
Barley	1,688	12,180	1,749	13,310	2,190	16,110	2,000	30,400	1,975	23,700	1,919	14,100
Maize	3,388	40,780	3,847	35,390	4,026	27,530	4,790	60,800	4,426	45,200	4,734	62,000
Total	9,551	90,003	10,176	86,000	11,288	86,790	10,944	136,200	10,934	121,100	11,417	124,800

AVERAGE CROP YIELDS IN QUINTALS PER HECTARE

		Average for 1911/15	Average for 1921/25	Average for 1926/30	1929	1930	1931
Wheat	...	11.9	8.7	9.8	9.9	11.6	10.6
Rye	...	9.0	7.9	10.1	10.8	11.9	8.7
Oats	...	9.2	7 7	10.1	11.2	10.8	7.7
Barley	...	10.5	7.8	10.4	12.3	12.0	7.4
Maize	...	13.6	10.7	10.6	13.3	10.2	13.7

The above figures show that there is a vast scope for an improvement, for in Central European countries the average yield of wheat per hectare is about 20 quintals and in Denmark and Great Britain higher yields are common with a much poorer soil than that of Rumania.

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RUMANIA

241 311 The following table indicates the proportions of lands devoted to the various cultures and the distribution among the different provinces, according to official statistics for the year 1930:

Arable land in:	Area in hectares.	Percentage of total.
Old Kingdom	6,515,995	22.09
Bessarabia	2,915,961	9.88
Bucovina	311,616	1.06
Transylvania	3,113,500	10.55
Total of arable lands ...	12,857,112	43.58
Meadows and pastures ...	4,054,475	13.75
Orchards and Vineyards ...	613,614	2.08
Forests	7,134,200	24.18
Unproductive lands, roads, sites of buildings, rivers, mines, etc.	4,837,309	16.41
Total Area	29,496,700	100.00

From the above it will be seen that there is little scope for bringing more land under cultivation, and that an expansion in the output must be sought by improving the method of cultivation. Of course there is a vast expanse of marshes along the Danube which may be reclaimed—the total area of these is computed at two million hectares—and if they were turned to account they would considerably augment the arable area. It may be added that similar works of reclamation have been undertaken in Bulgaria and Greece and have been reported to be remunerative.

241 249 Besides cereals, industrial plants such as hemp, colza, sun-flower, tobacco, sugar-beet are grown, some 399,506 hectares being sown with them. The sugar-beet industry is sufficiently developed to provide for the total requirements of the country and to allow even for an export surplus. There are 14 sugar refineries, with invested capital of 3,300 million lei and occupying some 15,000 workmen. It was reported in the *Argus* of February 20th, 1932, which took up the defence of the industry and emphasized the necessity of granting it adequate protection (since it prevented some 700 million lei from being annually remitted abroad), that the State 65 I obtained a revenue of 13.70 lei per kg., or 42 per cent of the official price at which sugar was sold; that agriculturalists obtained 20 per cent, merchants 5 per cent, manufacturing and packing accounted for the remaining 33 per cent. But when expenses were deducted the net profit available to the

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refineries did not exceed 1.65 lei per kg. The total consumption of sugar, averaging 100,000,000 kgs. per annum, would thus yield a net profit of 165 million lei, which represented a return of 5 per cent on the invested capital. The cultivation of beet-sugar was reported to be considerably more profitable to the peasant than wheat, for while one hectare sown with wheat yielded 1,200 kgs., which would fetch 2,700 lei, one hectare sown with sugar-beet produced 20,000 kgs., which was bought by the refineries for 16,000 lei. 241 249

Though the actual production of cereals surpasses that of the pre-war period, the quantity exported shows a considerable diminution. Transylvania and Bucovina do not produce enough grain for their needs, and cover their requirements by imports. The relative values of the various cereals, as well as the quantities available for export from the 1929 harvest and those consumed locally or used for seed, are given below: 243

Crop	Total interior consumption in quintals.	Quantities available for export in quintals.	Total production in quintals.	Total value in million [illegible]
Wheat ...	25,600,000	2,400,000	28,000,000	19,600
Rye ...	2,100,000	1,300,000	3,400,000	2,049
Oats ...	8,000,000	5,600,000	13,600,000	5,160
Barley ...	7,600,000	22,800,000	30,400,000	12,768
Maize ...	34,000,000	26,800,000	60,800,000	30,400
Total ...	77,300,000	58,900,000	136,200,000	69,975

Of the available quantity for export only about half was shipped, viz., 28,000,000 quintals, while from the harvest of 1930 the quantity exported was 29,500,000 quintals.

The harvests of the last three years were abundant, and their respective yields in quantity differed but little. Owing, however, to the catastrophic fall in prices, the sums at which they were marketed varied considerably.

	Total production of all cerials.	Total estimated value in lei.
1929	136,200,000 quintals	69,975,000,000
1930	121,100,000 ,,	28,905,000,000
1931	124,800,000 ,,	24,311,000,000

RUMANIA

243 The following were the average prices of the principal cereals at the port of Constantsa per ton during the years 1928–1931, according to the bulletin of the Constantsa Chamber of Commerce:

		1928	1929	1930	1931
Barley	...	**5,900**	**4,580**	**2,430**	**1,800**
Oats	...	**3,400**	**2,440**	**1,800**	**1,520**
Maize	...	**5,280**	**4,010**	**2,600**	**1,800**
Wheat	...	**5,280**	**4,010**	**2,600**	**2,550**

241 433 If it be remembered that the value of the agricultural production of Rumania constitutes about 60 to 65 per cent of the whole national revenue, it is easy to realize what a terrible strain such a sudden and brusque diminution in the resources of the country is likely to throw on the entire structure of its economic and social life. For the period of 1926–28 the national revenue was computed at 171 milliard lei, of which 110 milliards were derived from agriculture. According to the *Argus* of February 13th, 1932, this last figure for 1931 had declined to 46.5 milliards.

245 Among the 613,614 hectares occupied by orchards and vineyards, some 209,321 hectares are planted with plum trees which yield an annual average crop of about 5 million quintals of fruit, the yields for the years 1928–30 being respectively 28, 9.5, and 14.6 quintals per hectare. The vine is also very extensively cultivated, 239,825 hectares being planted with it. In 1930 the amount of wine obtained from the grapes grown attained about 8,385,374 hectoliters, about half of which was produced in Bessarabia.

241 231 The position of the livestock population in a country of small farmsteads like Rumania is liable to exert a great influence on agriculture, for not only are horses and horned cattle used as draught animals, but their manure is the only kind of fertiliser applied to the fields, so that the gradual reconstitution of the livestock situation after the serious damages inflicted on it during the war is a reassuring sign. The recovery would have been much more rapid if the export taxes on cattle and meat had not discouraged the cattle breeders by unduly restraining exports. The following

figures show the livestock population during the pre-war 241
period and for the years 1926 and 1930: 231

Livestock.	Pre-war figures for all regions forming part of present-day Rumania.	1926.	1930.
Horses and donkeys ...	2,678,000	1,890,000	1,818,560
Horned cattle ...	6,760,000	4,902,000	4,011,141
Sheep and goats ...	15,250,000	14,059,000	12,273,347
Pigs	4,634,000	3,168,000	2,322,971

BANKING

The meagre capital resources of Rumania proved inadequate to the task allotted to them after the war and the general dislocation it had caused. Banks were called upon to finance the reparation of the damage suffered in the territories of the old kingdom, to advance moneys to the rural population which had just been endowed with land, and to furnish capital for the execution of the policy of industrialization to which the country had committed itself. The banks were subjected to a heavy strain, but owing to the financial assistance they received from foreign banking firms this was somewhat relieved. Unfortunately, very often less circumspection than the situation called for was shown in the granting of credits, for in many cases other considerations than those obtaining in Western countries prevailed, and as a result several banking firms were put in jeopardy through immobilization of too great a share of their assets in industrial undertakings. 453

The report of the experts on the liquidation of the Bank Dacia, of Iassi, published in the *Argus* on June 17th, 1931, is sufficiently enlightening on the subject. This bank, the total capital of which was only 20 million lei, had invested 70 millions in industrial enterprises, and the managers were blamed for not having asked for the winding-up of the bank when they no longer disposed of even one-third of the capital, as was stipulated in the statutes.

According to official statistics, at the end of 1929 there were in existence 1,097 banks, with a paid-up capital of 11,180 million lei. The great majority, however, were very small concerns which hardly deserve the preten-

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[The Banat]

[The Crisana]

The high quality of the crops in this province, 241K
amongst them wheat, maize, rye, oats, and the high 134
standard of animal breeding, have made the Banat known far beyond the borders of Rumania. The fertility of the soil is due partly to the 'black earth' which, in a greater or lesser degree, is a component of all the arable land. Apart from being an important agricultural region, the Banat possesses valuable industries, forests and minerals. Iron ore and coal 316
are mined in the area of Resita and Anina, where 327
there are great iron and steel works which produce 315
railway equipment and armaments. The Danubian port of Orsova, guarding the western entrance to the 'Iron Gates', also has an oil refinery.

The capital of the Banat is Timisoara^{R} (Temesvar^{H}) 361
on the Bega with a population of 100,000. In Roman times the fortress of Ripensia was situated here. In Hunyadi's time it was a centre of resistance against the Turks, only second in importance to Belgrade. To-day the town is a great rail and road junction with many factories, banks, commercial houses and cultural institutions. Lugoj, on the Timis, with a population of 20,000, and Caransebes, north of the Porta Orientalis which leads through the mountains of the Banat to the Danube, are marketing towns of some importance.

THE CRISANA AND MARAMURES. Geographically the 131
Crisana is the eastern borderland of the Hungarian [161]
plain. The province covers an area of about 8,400 square miles and has a population of just under 1,500,000. The Crisana lies between Transylvania in the east, the River Mures (Maros^{H}) in the south; Hungary (as reduced by the Treaty of the Trianon) in the west and Czechoslovakia in the north.

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565 provide their holders with a fair income, and a con-
471 siderable part of the rural population remained landless. Worst of all, those peasants who did obtain
423 land were given neither implements nor sufficient financial help which could have enabled them to make a decent living. Neither of the measures which are essential to the success of peasant proprietorship —State aid in money, machinery and technical advice; or the creation of large-scale co-operative
[641] societies and banks—were carried out. Undoubtedly the extension of the franchise in 1923 to all men of 21 and the land reforms greatly strengthened the position of the peasantry in the State. But, actually, it was widespread discontent with the working of the agrarian reform that stimulated the organization of the National Peasant Party.

423 **CROPS.** The great devastation of Rumania during
• 241 the First World War and the effects of the land reform resulted in a great reduction of the country's agricultural production during the immediate post-
[439] war period.[1] Whereas the Old Kingdom alone in 1913 had grown 2,200,000 tons of wheat, of which 1,150,000 tons were exported, and over 3,100,000 tons of maize, of which 1,000,000 tons were exported, the production figures for Greater Rumania in 1921 were for wheat 2,140,000 tons, and for maize 2,810,000 tons. This great decrease is all the more striking in view of the fact that the amount of arable

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[1] In Transylvania and the neighbouring territories, taken from Hungary, some of the great *latifundias* had been well and scientifically worked with modern agricultural machinery. There were some conscientious landowners among the Magyar nobility as well as absentee landlords who neglected their peasantry.

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land in 1921 was about twice as much as in 1913. 433 No doubt the breaking up of the big estates contributed 241 to the spectacular fall in agricultural production. But it need not have done. It was no fault of the peasants that they could not obtain the implements, seeds and financial help which would have enabled them to work the land profitably. The big landowners who were compensated for their losses by State bonds, controlled the banks which granted agricultural loans at high rates of interest. They obtained interest on the State bonds they held. And all this had to be paid for by the peasant. The peasant, now nominal owner of a small strip of land, insufficient for the upkeep of his family, was burdened with the payment of taxes, dues and interest on his mortgaged property. He was, in fact, often worse off than if he had possessed no land at all. This crushing financial burden, more effective than the bondage of feudal times, led to a great migration of peasants to the towns. This resulted in many fields remaining unworked and an increase in the ranks of the unemployed.

The recovery in the production of crops was slow. By 1936 the wheat harvest rose to 3,500,000 tons, and that of maize to 5,610,000 tons. Exports, however, were still far below those of the Old Kingdom in 1913.[1] The higher yields were due to an increase of the area under seed and not to better working methods. The soil of Greater Rumania is extremely fertile, especially in the lowlands of the Danube, in Moldavia and in Bessarabia. But the implements used were, and still are, primitive. Wooden ploughs are still common. Manure was hardly used, the

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[1] 1936: wheat 610,000 tons, maize 771,000 tons.

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241 433 ploughing was very superficial. Apart from a few small regions the whole of Greater Rumania's agriculture was extensive and not intensive. That is, crops were harvested year after year without regard to the soil and without any attempt to preserve its fertility. This is one of the reasons for the fact that in spite of much higher soil fertility the average yield per acre in Greater Rumania was far below that in Great Britain.[1]

In addition to the growing of grains and potatoes, the production of industrial crops was begun in the nineteen-thirties and has since made considerable progress, especially that of oil-seeds, flax, cotton, soya beans and sugar-beet. The development of fodder production has made little progress, owing to a decrease in livestock.

231 483 LIVESTOCK. Rumanian livestock, especially horses, were well known and eagerly bought during the last century. The country was famous for its hardy and fast geldings and exported many horses to Germany, Denmark and Austria-Hungary. From 1886 onwards, when Hungary closed her frontiers to the import of Rumanian livestock, there began a rapid

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[1] Average yield in cwt. per acre in the year 1937–8:

	Rumania	Gt Britain	Germany	Greece
Wheat	9·8	16·0	18·0	8·2
Barley	5·1	13·2	17·0	9·0
Oats	5·2	16·3	26·0	7·9
Rye	8·2	13·3	13·3	7·9
Maize	7·5	—	—	10·1
Potatoes	43·0	121·0	152·0	68·0
Flax	3·1	12·0	5·0	—

(From the Statistical Records of the League of Nations.)

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231 For the majority of Rumania's peasants the most
433 valuable of all animals are his sheep, of which
Greater Rumania possessed about 12,000,000. Both
the wool and the meat of Rumanian sheep are,
however, of a lower quality than those of Great
Britain or New Zealand. Sheep's milk, and the
cheese made from it, supplement the monotonous
diet of the peasant.

[439] Of the 3,000,000 pigs in Greater Rumania most
were kept in the New Territories and a large proportion
of the country's pork production was exported.
Apart from the Rumanian Mangalita, English
Berkshires were bred in great numbers.

• 241 Considered as a whole the agriculture of Greater
Rumania, favoured by good climatic conditions and
great soil fertility, remained undeveloped owing to
the general economic conditions. The peasantry did
not possess the necessary implements, buildings or
animals which could have secured profitable exploitation
[462] of the soil. Financial help was difficult to
obtain, and the loans that were granted were ruinous
to the peasant, owing to the high rate of interest.
[453] Co-operatives were few. Some agricultural banks
and associations confined to the German colonists in
the Banat and in Transylvania were the only ones
[435] which succeeded. Agricultural prices were low and
the peasant was often forced to sell his produce
before the harvest to export trusts which dominated
[454] the market. The only assistance given by the government
consisted in loans and seeds at reduced prices
for the growing of certain crops, such as soya beans,
for export in order to fulfil international trade
[439] agreements. During the last fifteen years Germany
secured an ever greater influence upon Rumania's
agriculture and took most of its exports.

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648 Both the political and the economic life of
241 Rumania was subject to complete German domination. The agriculture of the country had to supply the German and Rumanian armies in the field. The area of arable land was feverishly enlarged so as to provide more food. This met with considerable success. In 1941 the country produced almost as much wheat as the whole of Greater Rumania in 1935. Exports almost reached the pre-1940 level.[1] By 1943 the area under wheat had been increased to 3,000,000 hectares and that under maize to 4,000,000 hectares. Even more important is the extension of the land used for the growing of rape seeds[2] and of oil-bearing plants.[2] Rumanian agriculture served a double purpose: the provision of food for the Rumanian and German armies and the supply of Germany's war industry with valuable raw material. The introduction of the soya bean into Rumania, the delivery of thousands of iron ploughs, tractors and other agricultural machinery from Germany only served to further this aim. Exploitation of the peasantry was the immediate consequence; but, if the ploughs and machinery remain when the Germans have gone, Rumanian agriculture is bound to benefit.

433 OIL AND INDUSTRY. The output of the chemical, textile and heavy industries were increased considerably. Consumer goods, however, are scarce and very expensive. The yearly production of oil has not

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[439] [1] Export of wheat in 1940, 379,000 tons; in 1941, 2,500 tons; export of maize in 1940, 364,000 tons; in 1941, 117,000 tons. Both have since risen.

[2] 1942: [illegible] hectares grow rape seeds and 600,000 hectares oil-bearing seeds.

241 The basis of Rumanian economy is agriculture, in that some 80 per cent. of the population derive their livelihood from the land and agriculture provides a high proportion of the national income. [315] During recent years, however, the expansion of the oil industry has meant that agricultural produce [439] has played a decreasing part in the country's exports, having been superseded by oil, exports of which amounted to 43 per cent. of the total export trade in 1938, compared with 19 per cent. in 1927; while grain exports in 1938 represented 23 per cent. compared with 46 per cent. in 1927.

In spite of the importance of agriculture to national prosperity farming methods are backward and per acre crop yields are among the lowest in Europe. Attention is particularly given to growing cereals, and of these maize is the chief, [231] providing a large surplus for export (apart from the war years). Livestock density is low, which is one of the weaknesses of Rumanian agriculture, the Banat being the only district in which numbers [439] are fairly high, and farming approaches the intensive system. It must be stressed that the relatively large export surplus, which consists of wheat, maize, barley, oilseeds and pulses, livestock, oilcake, etc., is only made possible by [146] the very low nutritional level which prevails, and that if this were raised to anything like western European standards exports would be commensurately reduced.

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249 Since the war more attention has been paid to the growth of industrial crops such as sunflower, soya, cotton, hemp and flax, and the cultivation of rubber-bearing plants has been started following the finding of the *Kok Saghys* plant left by the Russians in Bessarabia. Though some success has been achieved in increasing the areas under textile fibres, and yields have been slightly higher, the hoped for increases in soya and sunflower cultivation have not been achieved due to unfavourable weather conditions and to general wartime dislocation.

313 Rumania's forest resources, though extensive, have suffered severely from a consistent policy of over-exploitation, and, while providing the basis of a fairly important industry during the period between the two wars, have been so depleted that cutting will have to be very restricted for a number of years if they are to be allowed to recover. The loss of Northern Transylvania has affected the timber industry in particular, as a high proportion of the forest resources were located there, and in that district this industry was better developed than elsewhere in the country.

IMPORTANCE OF OIL

315 Oil plays a major part, not only in Rumania's foreign trade, but also in covering her domestic fuel requirements, to a large extent replacing coal, reserves of which are small and of low quality. Since the war and the resulting pressure which Germany has exerted to obtain increased quantities of oil for her armies. (combined with the consistent drop in the rate of production between 1936 and 1941), serious attempts have been made to find alternative sources of fuel. The enormous reserves of natural gas existing in Transylvania, which were exploited only very slightly before the war, are being used increasingly as a source of fuel to supply local industries, and a

A. PRE-WAR CONDITIONS

1. General

241 Agriculture occupies about 80 per cent. of the population of Rumania and contributes the greater part of the national income: but, owing to the importance of the country's mineral-oil production, exports of agricultural products accounted for rather less than half of total exports by value, in the immediate pre-war years. [439]

[146] Total agricultural production, even if there were no exports, would fall seriously short of the real food needs of the country. The poorest are actually underfed, while the majority of the remainder subsist on a diet which, though adequate in quantity, is seriously deficient in quality and nutritional elements.

[161] In her farming Rumania suffers from two inter-related difficulties: rural over-population and low food output per acre. There are 16 agricultural workers per 100 acres of farm land, compared with 6 in Denmark and 3 in Britain. Another aspect of this is the extremely small size of most of the farms—75 per cent. of them are less than 5 hectares (12 acres) in extent. Because there is not enough land to go round, most farming families have to eke out a living on holdings which under any system of general farming would be too small to provide an adequate income.

The position would be less serious if a high per-acre food output were achieved. But in fact the Rumanian output per acre is barely one-quarter of that obtained in countries like Belgium and the Netherlands. Rumania pivots her farming on wheat and maize production but, owing to the extensive methods practised, the few livestock kept, and other reasons, per acre yields are among the lowest in Europe.

It is the over-population and land shortage which are largely responsible for agriculture remaining so backward. Having insufficient land the peasant does not produce much for sale, and so cannot afford to purchase fertilisers, good quality seed or better implements. Nor can he spare many acres for fodder crops, since the bulk of his land is needed to grow the food his family eats. And as he cannot buy fodder, he cannot keep many animals. Thus, while there is some scope for agricultural improvements which would ameliorate the peasants' lot, the pre-requisite of farming progress is to find alternative occupations for the surplus population.

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471 The system of land tenure is peasant proprietorship. This was attained under the Land Reform carried through after the first World War. The effect of this was to divide up and transfer to peasant ownership a large area of land formerly worked in big estates. This revolution in land tenure provided a solution for a long-standing social problem, but its effects on production were unfavourable. The large estates had been run by trained managers, with relatively advanced methods and equipment. Their transfer to ill-equipped, backward and uneducated peasants was followed, for a time at least, by a decline in yields, and consequently in total production and exports.

241 Little progress was made in the period between the two wars in remedying the disadvantages of uneconomic farm sizes, and in raising the low standards of farming. For lack of education the

241 peasant views with suspicion and often hostility all attempts at improvements in traditional [474] methods. Even the co-operative societies have made less progress than in other Danubian countries. There is need for considerable capital expenditure in grouping small farms into larger units, in providing better buildings, more implements and fertilisers. There is need for diversification of production—more fodder crops and more animal husbandry. Above all, there is need for development in industry and commerce to provide work for the surplus agricultural population.

2. Natural Conditions and Regions

132 The climate is of the extreme Continental type, with long hot summers and severe winters. Precipitation is largely concentrated in winter and early summer. During the greater part of the growing and ripening season rains are light, and from time to time serious droughts occur which may ruin the grain crops.

133 311 The agricultural regions correspond to the natural divisions into plain and hill country—the Danube plain and Bessarabia which comprise the greater part of the territory and produce the bulk of the crops, and the hilly and mountainous land of Transylvania and the Bucovina.

[134] The plain is well-suited for agriculture, the soil over much of it being of the fertile *chernozem* or black earth type, but the backward methods of farming and the light rainfall keep yields per acre low.

[162] This region is not equally backward in all parts. The Rumanian Banat at the western end of the country, and formerly part of Hungary, is more prosperous and progressive. The population is not purely Rumanian but includes Swabians and Saxons, descendants of the German stock systematically settled there on medium-sized peasant holdings in the eighteenth century after the cession of the territory to Austria by the Turks. Methods and yields, by Rumanian standards, are good. [231] The livestock density is higher than the average and the area produces a substantial surplus of pigs. Rural overcrowding is not as marked as elsewhere.

241 133 Conditions of life and methods of farming are considerably worse in the plain land of the Old Kingdom. Agriculture here is as primitive as in any part of Eastern Europe, depending on an unbroken alternation of wheat and maize cultivation with little subsidiary production. Some wheat is marketed, but the maize is grown largely [311] for consumption on the farms. So little land is available per head of population that the farm population and working animals (which eat the maize stalks) can be fed only by devoting an excessive acreage to maize.

Bessarabia makes up the remainder of the plain land; conditions of settlement and farming methods are much the same as in the Old Kingdom, but the density of population is lower and there are substantial grain exports.

Given normal yields, every district of the plain area is at least self-sufficient in foodstuffs; indeed parts of it regularly produce large grain surpluses. Transitional areas between the Danube Valley and the Transylvanian plateau, such as the Carpatho-Moldavia and Carpatho-Muntenia areas, may,

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241 however, be slightly deficient in grain, especially in poor years.

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[311] The hilly land of Transylvania and the Bucovina differs markedly from the plain. There is proportionately less arable and much more meadow, grazing and forest land. The soil is poor. Methods are not as primitive as in the plain land of the Old Kingdom, but over-crowding is more serious and output per head is consequently lower. Parts of this region are slightly deficient in grain. Though [146] the level of food consumption is low, the dietary is more varied than elsewhere in the country, less maize and more meat and dairy produce being eaten.

3. Crops

311 Of the total area of pre-war Rumania, of nearly 30 million hectares (119,000 sq. miles) and twice the area of England and Wales), about 13 million hectares, or 45 per cent. was arable. Permanent meadow, pasture and grazing occupied 14 per cent., while tree and bush crops accounted for a further 2 per cent. The remaining land was non-agricultural, forest and waste land.

243 A very high proportion of the arable—over 80 per cent.—was used for grain growing, principally maize, wheat and barley. Owing to low rainfall, use of poor seed and lack of fertilisers, yields were at a low level and fluctuated widely from year to year.

[439] Out of an average grain production of 11 million tons, 6 millions went into domestic human consumption and 1¼ million were exported, the remainder going to fodder, seed and waste. Grain exports have always figured largely in the country's foreign trade. During the twenty years 1920 to 1939 they only once fell below a million tons, and in some years exceeded three million tons. In value, during the decade before the war, they formed, after petroleum products, the main item in exports.

241 No other category of crops compares with grain. Sown fodder crops took barely 5 per cent. of the arable, all other crops, including potatoes, fibres, oilseeds, tobacco and sugar beet, about 8 per cent. Peas, beans and oilseeds were grown in sufficient quantities to provide surpluses for export. Germany established two companies—Solagra in 1934 and Soya A.G. in 1940—which invested large sums in promoting oilseed cultivation. The area 249 under sunflower was raised only slightly, but that under soya rose from nil in 1933 to 103,000 ha. (254,000 acres) in 1939, but the greater part of both crops was located in Bessarabia which Rumania lost to the U.S.S.R. in 1940 (see below).

244 Production of potatoes, vegetables and sugar 247 beet was just sufficient for domestic consumption, but the tobacco crop did not quite meet requirements. Tobacco production had fallen from 20,000 tons in the late nineteen-twenties to 12,000 tons in the years just prior to the war.

242 Fruit production was undeveloped and there was little organised marketing and processing. Plums were the main crop, but three-quarters of the output was used for making brandy. Apples and other kinds of fruit, and walnuts, were produced in fair quantities, but exports were insignificant, and, owing to low quality and the lack of standardisation, there were no prospects of development.

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*Production of Principal Crops**
Average 1935-38
('000 *metric tons*)

Wheat ..	3,677
Rye	436
Barley	1,071
Oats	604
Maize	5,215
Potatoes ..	2,010
Sugar beet† ..	570
Peas	45
Beans	236
Tobacco ..	12
Sunflower seed	177
Soya beans ..	42
Rape seed ..	48

* Pre 1939 frontiers.
† This produced 110,000 m. tons of raw sugar.

4. Livestock

231 One of the chief weaknesses of Rumanian agriculture is the low density of livestock. Numbers of cattle per 100 acres of farm land are less than half those of this country and Germany; about half the farms possess no cows. A large proportion of the cattle, moreover, are draught animals which require land to feed them but which yield little saleable produce. Moreover, the annual milk [234] yield per cow averages less than 1,350 litres (300 gallons) as compared with over 700 gallons in Denmark.

Of pigs, the numbers and quality compare even less favourably with those of other countries. Only in the Banat district is there an approach to an interlocking of grain production with pig-raising. Sheep are an important source of income to the peasants of the Transylvanian mountains, a region where water buffaloes are kept as draught animals since they require no sustenance other than a daily cold bath and a few maize stalks.

Livestock numbers in 1938, and the production of livestock products in 1935-38, were as follows:—

*Livestock Numbers**
'000 *head*

Horses	2,158
Cattle	4,161
(including cows)	(2,030)
Buffaloes ..	165
Sheep	12,768
Goats	399
Pigs	3,165
Poultry ..	34,666

* Pre-1939 frontiers.

*Production of Livestock Products**
Average 1935-38
('000 *metric tons*)

[234]

Milk‡	3,000
Butter	20
Cheese	30
Beef and veal ..	120
Mutton and lamb	20
Pork	152
Poultry meat ..	60

* Pre-1939 frontiers.
‡ Cows, buffaloes, sheep and goats.

5. Fish

228 All fishing along the Danube, including the [656] mouths of the delta, and along the western shores of the Black Sea coast, is controlled by the State Fisheries Administration. The total annual catch in State-owned waters averaged 15,000 tons in the years immediately preceding the war, of which fresh-water fish contributed more than two-thirds. This does not, however, represent the total catch, as fairly large quantities were caught

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228 in private waters. Supplemented by some 4,000 tons of imported fish, this provided nearly 1 kg. (2·2 lb.) per head of population, but, in fact, almost all the fish was consumed by the 5 million persons living in towns. The principal fish caught were sturgeon, carp, pike, eels and crayfish, the main fishing centres being Brăila, Tulcea and Ismail.

6. Food Industries

256 The chief food and agricultural-processing industries are milling, sugar manufacture, oilseed crushing and tobacco curing. While the milling industry was dispersed widely about the country in more than 15,000 small mills employing altogether over 37,000 persons (at 1930 census), the sugar industry was for the most part concentrated in the plain of the Old Kingdom. Of the 17 sugar
257 factories employing 10,000 workers, only one was in the Transylvanian districts lost to Hungary and five in the areas temporarily lost to the U.S.S.R. The vegetable-oil industry, located chiefly in
258 Bessarabia, was only partly carried on in factories, of which there were (on January 1st, 1939) 117, employing 2,026 workers. Among these, 34 were fitted both to extract crude oil and to refine it, six were exclusively refineries, while the remainder produced only crude oil. The rest of the industry consisted of some 2,000 hand, or animal-driven presses mostly owned by individual peasants or by shopkeepers. These primitive presses extracted only a low percentage of oil from the seeds, and consequently the cake—mainly sold for export—had an unusually high oil content. As regards
277 tobacco, both curing and cigarette manufacture were subject to government licence and control.
[656] There were 29 factories (in 1930) employing 9,720 workers, but tobacco cultivation subsequently declined, so also doubtless did the numbers employed.

7. Agricultural Organisation

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●241 The history of the organisation of Rumanian farmers is one of not too successful co-operatives becoming transformed more and more into agencies
474 for the execution of Government Control Schemes.
[654] For many years there had been throughout the country a network of agricultural credit societies, co-operative in form but in practice directed by the State. These played an important rôle during the period of the Land Reform in helping the peasants by advances to buy and equip their newly acquired holdings. There was even some co-operative cultivation for a time, until the new peasant-owners could muster sufficient draught animals and implements. Besides this, there have been strong
[162] local co-operative unions especially among the minority nationalities—the Hungarians in Transylvania, the Swabian and Saxons in the Banat and the Russian and Polish Jews in the Bucovina.

243 The credit societies revived in importance when,
474 after 1933, the Rumanian Government began the organisation of grain marketing. They became
452 the local agents of a Central Marketing Board through which all sales of grain had to be made
654 both for home consumption and for export. Whereas formerly grain prices slumped immediately after the harvest, most peasants, being obliged to sell their grain quickly, under the new scheme prices were stabilised throughout the year, and this brought a great improvement to peasants'
[651] receipts. But the scheme and the societies were also used to collect the peasants' taxes (paid in grain) which did not increase the popularity of co-operation.

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241 654 Alongside this organisation the State ran certain technical services for agriculture, distribution of tested seeds, control of weights and measures, provision of bull and stallion services from its own stud farms. This work, however, remained less developed than in other S.E. European countries.

8. Agricultural Exports

241 231 439 Rumania was the largest grain exporter in Europe. By value, grain accounted for over half the total of agricultural exports. Livestock products, mainly live pigs and cattle, amounted to approximately one-fifth of the total, the remainder consisting of peas, beans, oilseeds, oil and oilcake, eggs and small quantities of fruit. Quantities exported on the average in the years 1935 to 1938 are shown below :—

	*Exports of Principal Agricultural Commodities** *Average* 1935-38 ('000 *metric tons*)
Wheat	686
Maize	543
Barley	297
Peas	21
Beans	43
Oilseeds	108
Vegetable oils ..	5
Oilcake	103
Cattle ('000 head) ..	48
Pigs ('000 head) ..	222
Eggs	10

* Pre-1939 frontiers.

241 439 It is of interest to note that, despite German hopes of a development in oilseed cultivation and exports, no increase had been achieved up to the eve of the war. German interest had succeeded in stimulating production and exports of soya beans, but there was no expansion in total oilseed exports owing to a decline in rape seed and to an increase in domestic consumption of oil.

German purchases of Rumanian agricultural exports were increasing in recent pre-war years. In 1939 the territories of Greater Germany took 25 per cent. of the wheat exports, half the feed grain and the bulk of the oilseeds. Italy also took appreciable quantities of grain.

9. Food Consumption

146 262 The Rumanian diet is perhaps the worst-balanced in south-east Europe. The outstanding feature is its high dependence on grain, which provides three-quarters of the calories and 70 per cent. of the protein. In the towns white wheat bread is eaten except by the very poor, whilst in the country wholemeal bread or maize is usual. Over large areas, particularly in the Old Kingdom, maize forms the chief food. (Taking the country as a whole maize consumption is two-thirds higher than wheat.) During the summer months, when work is very heavy, peasant families may eat as much as 3 kg. (6½ lb.) a head daily, almost always in the form of *mămăligă* (a kind of porridge).

The rest of the rural dietary consists chiefly of beans, some potatoes (especially in Transylvania), cabbage, beetroots, carrots, onions and a certain amount of cheese and milk. Consumption of all these foods is much too low by nutritional standards. Meat is rarely eaten, except at Christmas time when a pig is killed—for the rest of the year small amounts of fat salted pork are used, more or less as a flavouring. Some fish is eaten in villages near rivers. Vegetable oils—mainly sunflower—and pig fats are used for cooking; butter is rarely eaten.

146 262 Largely because of its cost, the consumption of sugar is very low, except among the well-to-do in the towns. (To encourage sugar-beet growing, a high price was set by the Government.)

[785] The diet is further impoverished by the long religious fasts—seven weeks before Easter, six weeks before Christmas, two shorter summer periods, plus Wednesdays and Fridays of each week. The diet during the fast includes practically no food of animal origin. Children under 10 years do not normally observe these fasts and, in fact, usually have a better diet during these periods since more milk, eggs and butter are available for them.

The diet, though fairly adequate in energy value, is short of animal protein, fats and calcium; moreover, where maize is the principal cereal lack of vitamin B_2 may be very serious. Various symptoms of vitamin and mineral deficiencies are [165] observed, and the high infant-mortality rate—the highest in Europe—is also partly due to malnutrition. One of the most serious effects of the poor diet is the nervous disease pellagra, caused by this deficiency of the vitamin B_2 factor. In Moldavia, where maize is the staple food, about 5 per cent. [164] of the rural population suffers from pellagra every spring. In the whole country about 3,000 deaths occur each year from this disease (compared with 4,000 in the maize-eating southern states of U.S.A.).

The average annual pre-war food consumption of Rumania is shown in the following table, with comparative figures for the United Kingdom.

Average per Head Consumption

	Rumania		*United Kingdom*	
	Kg.	*Lb.*	*Kg.*	*Lb.*
Wheat and rye	104	229	129	285
Maize	166	365	—	—
Potatoes	50	110	84	185
Sugar	5	11	43	95
Meat	17	37	63	139
Milk	70	123*	94	165*
Butter	1	2	11	24
Pig fat	4	10	5	11
Vegetable oil	1·5	3	—	—
Margarine	—	—	4	10
Calories per day	2,700		3,100	

*Pints

B. WAR-TIME CHANGES

1. Territorial Changes

728 241 311 The net effect of the territorial changes which have occurred since 1939 is the loss of Northern Transylvania to Hungary and of Southern Dobruja to Bulgaria. For two seasons' crops, 1940 and 1941, Rumania was without Bessarabia, but in the late summer of 1941 she not only regained Bessarabia but acquired administrative control of the Soviet territory now styled Transnistria, and this has made small contributions to the food supplies of Rumania in 1942-43. Ignoring Transnistria, however, Rumania lost 12 per cent. of her former arable area and grain production. The Transylvanian areas ceded to Hungary, though not rich agriculturally, probably needed only small imports of grain to supplement their own production, while south Dobruja, though a surplus producing area, contributed only a fraction to Rumania's total agricultural production. The country's potential agricultural export remains, therefore, substantially what it was before the war.

241 2. Agriculture in War Years

722 Germany, at the outbreak of the war, looked to the Danube countries, and to Rumania in particu-

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lar, for grain, oilseeds and livestock products to provide the balance of food and fodder requirements which she could not obtain from her own agriculture. The normal grain surpluses and the potential output of sunflower and other oilseeds appeared sufficiently large to provide a solid basis for these expectations. Owing, however, to war-time dislocations of economic life, to the absence of adequate administrative control of farming, to the lack of co-operation by the peasants, and, above all, to a succession of unfavourable seasons, these hopes have been almost entirely falsified.

Firstly, in 1940, Rumania lost Bessarabia, her principal surplus region, to the U.S.S.R., and with it all that year's crops. When she regained it in 1941 she obtained no surplus out of that harvest, and, because of disorganisation, little in 1942. In rump Rumania, in 1940 and 1941, the grain harvests were substantially below the average owing to reduced sowings (partly caused by mobilisation) and to disappointing yields. A determined effort was made by propaganda and the release of labour to bring sowings back to normal for the 1942 season. But the early onset of an unusually severe winter again reduced the sowings, while a serious drought in the summer of 1942 reduced the yields.

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[243] There was a deficiency in wheat sowings of over a million hectares, while grain yields were barely 60 per cent. of the average. The out-turn of the year was consequently worse than that of the two preceding years. Wheat and rye yielded only 1·3 million tons compared with an average for the territory of 3·6 million tons. The maize crop was a little less than 3 million tons compared with an average of 4·7 million tons. The total grain production was about 5·5 million tons, a quantity inadequate to meet the requirements of food and fodder at any approach to normal levels.

[241] Other crops were more successful in 1942, but they could not appreciably offset the disastrous grain results. The potato crop reached an average level for the first time during the war years, and part of it was used to stretch the deficient wheat for bread making. There was also a good crop of beans and peas, largely because, as their prices were not controlled, they were very remunerative crops. The sunflower crop, though sowings failed to reach the ambitious target and yields were only 60 per cent. of normal, was of record dimensions. Soya, rape and sugar beet declined, however, from earlier levels. (A significant supplementary supply of sugar is now being obtained from Transnistria.)

[231] These for the most part poor crop results, besides curtailing the supplies available for human consumption and exports, also brought about a reduction in livestock numbers at the end of 1942. Livestock numbers may, however, have increased somewhat in 1940 and 1941, for it was reported that peasants held back more grain than usual in those years for livestock feeding. If this is true, numbers would now probably be little different from those of pre-war years.

[241] Crop prospects for 1943 point to a more normal result. The winter of 1942-43 was late and mild, making it possible to sow a near-average acreage of winter crops. Preparatory work for spring sowings was also done in good time, and on the whole the weather subsequently has not been unfavourable.

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Tobacco cultivation appears to have declined in the war years, principally because the prices were even more unattractive than those of grain. In 1942 the area sown was reported to be little

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222 [244] more than half the normal, but the efforts in 1943 to recover to a more average crop may have succeeded.

3. Fish

[228] The general food shortage in Rumania gave a great fillip to the fishing industry. In the 12 months April 1942 to March 1943, some 40,000 tons of fish were caught in State waters besides 23,000 tons in rented and private waters. This is almost double the largest pre-war catch. During 1942 some 6,000 tons were salted down for winter use. In order to promote and introduce better organisation into the fishing industry a German-Rumanian Company has been established, the "Marea-Neagră," which will devote special attention to developing the Black Sea fisheries.

4. Agricultural Exports

439 243 The pre-war level of grain exports was well maintained in 1939; wheat in particular was prominent with over a million tons. The exports of 1940, however, showed an immediate reflection of territorial changes and war shortages. Total grain exports in that year barely reached a million tons compared with the pre-war average of about 1·6 million tons. The following year showed a still sharper decline, wheat reaching only 5,000 tons and maize 120,000 tons. In 1942, despite the recovery of Bessarabia, it is most unlikely that even this level was maintained.

439 249 Oilseed exports, despite direct German intervention aiming at an expansion of the crop, also fell below pre-war levels. Sunflower-seed exports, the principal oilseed, fell from an average of 30,000 tons in 1935-38 to 12,000 tons in 1940 and to 5,000 tons in 1941. Exports following the 1942 crop, though probably better, were not at all commensurate with the increased production, for a serious shortage of edible oil and fat had meanwhile developed in Rumania owing to decreased supplies of pig fat and to the retention by the peasants of their seed for consumption at home, or for disposal on the Black Market.

5. Administrative Control

● 241 656 435 Not even the most complete and efficient system of administrative control could have assured the country's food supplies and exports at normal levels during these three unfavourable years, but it is clear that Rumania's food difficulties have been aggravated by mistakes in economic policy and inadequate control measures. Bureaucratic methods of handling the peasants aroused antagonism and resistance. Supplies of tested seed and other farm requisites were not made available in time. On the collection and supply side, too much power was left in the hands of local prefects. But the most serious shortcoming of the official administration was the failure to establish a price control, and an appropriate relationship between agricultural prices and the cost of the things farmers buy. (In the absence of effective discipline this ratio needs to be strongly in the producers' favour if production and marketing of foodstuffs is to be maintained.) Prices of consumers' goods rose rapidly, owing to shortages, while the Government pegged the prices of farm produce at comparatively low levels. Consequently, the peasants curtailed production and sought better prices by selling much of their produce through Black Market channels. The mistake was officially admitted in the autumn of 1941 when grain prices were more than doubled, but the position still remained unfavourable to

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241 the peasants and the reduced 1942 sowings both of grain and of sugar-beet indicated continued 656 dissatisfaction. Finally, by the spring of 1943 a 435 wiser ratio was reached, agricultural prices being four times as high as in 1939 and wholesale prices in general three and a half times as high. Nevertheless, this very considerable measure of inflation [458] has shaken public confidence in the value of money so that peasants increasingly resort to barter transactions.

[655] In the hope of obtaining better control over grain supplies the Government in the autumn of 1941 nationalised the grain trade, later they relaxed this to the extent of leaving the export business to a few selected firms and the internal collection to the Army and to the National Institute of Co-operation. This body handled the pre-war grain marketing scheme, and their [563] activities—because of the expulsion of Jews from wholesale and retail trade—have recently developed rapidly in the supply of seeds to peasants (80,000 tons of seed distributed in 1942) as well as consumers' goods to peasants and townspeople. But it still proved difficult to extract enough food from the peasants to feed the towns. For the 1943 harvest detailed regulations were made concerning the quantities the peasant might keep for seed, for his family and for his animals, and threshing operations were subjected to inspection. Yet these rules could not in practice be administered.

423 It is now generally agreed in Rumania that the smallness of the holdings has been a principal 471 obstacle to effective organisation of agriculture in war-time, and that a change to larger units of production is needed. Any approach to collectivisation on the Soviet model, however, would be regarded as contradictory to the land reform policy and a threat to the Rumanian State. The official policy, though it has not yet taken its final form, is to maintain private property but to proceed no further with expropriation and division of large estates, and to maintain existing medium holdings by prohibiting their sub-division for inheritance or other reasons. Schemes for the consolidation of strips are also contemplated for a more opportune moment. Further, in order to 474 increase production and to improve the peasants' methods and standards of life, communal farming associations, known as *obştii*, are to be formed. In these associations, farming equipment is to be pooled so that the small-holder would have the same resources as the large farmer. Each *obştie* is to embrace a village and perform all the functions of a co-operative, including joint purchase and sale, use of breeding animals, processing of crops, etc. Villages which are prepared to form themselves into *obştii* and to undertake to work the land according to State directions, are promised tractors, seed and breeding stock without payment. In this way it is hoped that some of the advantages of collectivisation may be achieved while retaining those of individual ownership. But, unless accompanied by far-reaching industrial development, the plan can but aggravate rural unemployment. It is not known how this innovation has been received by the peasants. It was reported in April 1943 that 270 of these communal associations had been formed—an insignificant number—and it is believed that the Government is allocating to them some of the tractors imported from Germany in the war years.*

241 The success of the *obştii* plan, and indeed of any plan for up-grading Rumanian agriculture, depends

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* In June, 1943, a temporary ban was placed on the formation of any new *obştii*, because there was insufficient agricultural machinery to supply to them.

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241 very largely on the acquisition of tractors and other equipment. Only Germany can provide these requisites and it is of interest that, despite the poor contribution Rumania has hitherto made to Germany's food supplies, the latter has gone some way to assist the attempted reform. Over 4,000 [439] tractors with their ploughs and a variety of other implements have been imported from Germany during the war years. Tractor numbers in Rumania have probably been more than doubled by these imports, but they still represent only the beginnings of mechanisation. They have doubtless been supplied, despite insistent demands for tractors in Germany and elsewhere, in the belief that, if properly applied, they may make some slight increase in available surpluses. Some of these may have been destined for Transnistria to make good the Russian scorching.

6. Food Conditions

511 Food conditions have varied according to local resources, and in the months following the poor crops of 1942, according to the success of local prefects and officials in securing supplementary quantities from the more favoured areas. The greater part of the population is rural, and most [162] families feed themselves with their own home-grown produce. In the earlier years of the war these were able to maintain their consumption standards, but in 1942-43 there must have been a more serious degree of shortage and privation than is usual even after short crops. In the towns there has been a severe curtailment of food supplies, mitigated in individual cases by access to the Black Market.

262 434 511 Urban shortages developed early in 1941 and official rationing cards were introduced in May of that year in Bucarest and brought into use soon after. Sugar and meat were the first commodities to be rationed. The original sugar ration was 375 grammes (13 oz.) per week, but since May 1943 it has been only 125 grammes (4½ oz.). Meat, originally 250 grammes (9 oz.), is still (July 1943) at this level, though for a short time at the end of 1942 it was higher owing probably to the abnormal slaughterings caused by fodder shortages in 1942. Bread was first officially rationed in January 1942, but was preceded by baking regulations requiring maize admixtures in the loaf. The ration of 300

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464 722 1942 there were 2,000 unemployed, while in December 1940, it was announced that the Office of Unemployment Statistics had been abolished, as there were no unemployed. Though Rumania's military mobilisation and losses have been extensive, her labour reserves are theoretically still considerable. On the other hand, there is no doubt that both industry and agriculture are suffering a noticeable labour shortage. This is attributable to the low level of mechanisation, internal economic organisation and to the cumbersome administration, so that comparison with western countries is impossible.

1. Agriculture.

464 241 The proportion of the working population engaged in agriculture is extremely high, so that military recruitment has been principally from this source. The structure of Rumanian agriculture, which is mainly peasant farming with a low output per head, has meant that the withdrawal of some 550,000 men has been more serious than it would have been in a country where more up-to-date methods are used, and the remaining labour supply is more mobile. The normal sources of supplementary wartime labour have been drawn on—*i.e.*, the temporary demobilisation of soldiers, employment of children during the summer holidays, and presumably an increased employment of women, although there is no evidence of women having been forcibly transferred to agriculture.

[727] The most valuable supplementary labour, however, has been the employment of Russian prisoners of war, and the demand for their services has exceeded the supply. The number employed in March 1942 was 40,000. These measures to improve the agricultural labour position do not as yet appear to have had much effect.

2. Industry

162 438 178 According to the latest official census figures (relating to the year 1930) 600,000 persons were employed in industry. The following table shows in column 1 the total number employed in the main branches, and in columns 2 and 3 the numbers working in factories employing ten or more people. A comparison between columns 2 and 3 gives an indication of the growing industrialisation of the country.

	1 1930	2 1930	3 1937
Food	122,000	25,200	34,700
Textiles and Clothing	155,000	34,800	70,500
Metallurgy	101,000	32,000	49,500
Timber..	94,000	31,000	44,000
Mining	53,000	n.a.	n.a.

Allowing for the increased industrialisation during the years 1930–39, and for the general increase in the total population to some 20,000,000, it is estimated that by 1939 the number of industrial workers in Greater Rumania would have risen to some 750,000.

With the loss of part of the provinces of Transylvania, Crişana and Maramureş, Rumania suffered a fairly considerable loss in industrial workers, so that added to the expulsion of Jews, repatriation of Germans, etc., and military mobilisation, it is estimated that at the end of [464] 1942 the numbers engaged in industry would not exceed 550,000.

As in the case of agriculture, the structure of Rumanian industry tends to prevent a thorough rationalisation and concentration of the available industrial labour.

[55b]

465 discrepancy in wage levels throughout the country which would involve separate wage boards for each area. All the fixed rates quoted below, with the exception of those in the metallurgical trade, are given for the country as a whole. In view of the regional variations in wage rates, the application of a fixed uniform wage is obviously impossible. This therefore suggests that the given rates are intended to apply to the districts with the highest wage-rate level, and that suitable reductions will be made in other areas, as for the metallurgical industry. The general wage level is estimated to have risen by as much as 200 per cent. since 1939. A general decree in August, 1942, fixed minimum wages at (lei per month) :—

Men	*Women*	*Children*
5,100	3,800	2,300

2. Agriculture

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Up till April 1942 agricultural wages were determined by free negotiation in the different regions and showed great variations. In April 1942 a decree was passed fixing rates for hired labour. A margin of 10 per cent. was granted to allow for local cost of living differences. The following rates (in lei per day) were fixed for the

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different seasons in 1942, the employer also receiving food :—

Period	*Men*	*Women*	*Juveniles**
Spring—June 15th	75	50	40
Summer—Sept. 1st	100	75	50
Autumn and winter	60	40	30
Average for 1937†	40	32	21

(i.e. official money wages have almost doubled and food is now supplied.)

* 16-18 years. † Without food.

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3. Civil Service

In August, 1941, the average monthly wage for a civil servant was 2,200-4,000 lei (presumably for non-administrative grades). Beyond this there is no information on actual rates paid, except for a reference in December 1942 to "Ministry Advisers," whose wages were 72,000 lei per month. However, there are frequent references to increased wages for state officials, and especially of increased family allowances, e.g. in October 1941 the allowance per month for children of civil servants was 500 lei per child. By October 1942 it had been increased to 750 lei per child for families living in the country, and 1,000 lei per child for families living in the town.

8: Armstrong 5-4 (no date) 1951 EF1 Yugoslavia
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648 advertise to the Rumanian masses, most of whom had never heard
726 this name. On March 8, therefore, Groza was told to ask Stalin for northern Transylvania, and by return telegram he received it as a "present." The Nazis had not yet been expelled from Budapest, so there was nobody there for Moscow to take into account. The Western Allies were not consulted. As a matter of fact, they had no objection to the return of at least most of Transylvania to Rumania, but would have preferred that it be done after study as to whether or not there should be frontier rectifications in favor of Hungarian ethnic groups; and they certainly would have considered it more suitable that the transfer be made after agreement among the Allies rather than unilaterally by one of them.

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668 The steps by which the Communist-dominated Rumanian Government became an absolute Communist dictatorship need not be detailed here.[3] In the beginning there certainly were some non-Communist elements which favored a clean sweep of the old order even though the representatives of the new order were Communists and protégés of the hated Russians. Seizure of the large properties still left in Rumania after the land reforms following the First World War was popular in principle. Rumanian régimes of the inter-war period had not been noted for efficiency or probity, and the Communists hastened to identify all Rumanian statesmen who held democratic beliefs and had a Western orientation with the "old gang" of profiteers and politicians who had mocked the Constitution in the dissolute days of King Carol and had ended by taking Rumania into the war as the ally of the Nazis. The fact that Maniu, the country's leading statesman, was famous for his incorruptibility and stubborn devotion to the Constitution did not deter Communist propaganda from picturing him also as a corrupt relic of the old dictatorial order. The Socialists were, of course, completely outbid by Communist promises of pie in the sky.

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423 But although these tactics had some success at first the only one of them that was based on anything substantial, the gift of land to

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[3] For a fuller outline of the postwar evolution in Rumania as well as other parts of Eastern Europe, and of relevant negotiations (if they can be called that) between the Soviets and the Western Powers, see Campbell, *op. cit.*, also volumes for 1947–48 and 1948–49 in the same series by the same author, and the volume for 1949 by Richard P. Stebbins.

8: Armstrong 5-4 (no date) 1951 EP1 Yugoslavia
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the peasants, was a boomerang. The land reforms of 1919–21 had 665
distributed about 14 million acres among about 1,400,000 peasants. 241
The new Communist expropriations distributed an additional 423
2,750,000 acres among about 1,100,000 peasants. It has been calculated that as a result more than half of the land holdings in Rumania consisted of less than seven and a half acres per family. Most farms of this size were insufficient to support independent farmers. Now this may have been as the Communists planned, for it enabled them to point out the advantages of collectivization to peasants who lacked even the minimum of tools and draft animals to cultivate their small private holdings. But when they did so they lost the popularity they had gained, both with peasants who worked ancestral lands and with those who had just shared in the expropriated estates.

The Communists thus felt it necessary to make their political position more secure, in particular to head off their natural rivals in the countryside, the formidable National Peasant Party headed by Maniu. In December 1945 a correspondent of the London *Times* had written critically of Maniu's "rigidity" and unwillingness to accept a modern "radical policy," and had blamed his "unbending attitude" for the "inevitable" political crisis. Less than a year later (October 18, 1946) the same or another correspondent of the *Times* reported from Bucharest that Maniu was "more popular than ever in his long career." The dispatch continued: "His past mistakes and weaknesses are forgotten. He stands now not for any program or ideology but for the idea of national independence. He is the symbol of the Rumanian nation."

As the Rumanian nation was to be destroyed, Maniu had to be destroyed.

This was the period for dealing with peasant rivals to the Communists in all the agrarian satellite states. In Bulgaria, the leader of the Peasant Party, Petkov, was arrested in June 1947 and hanged in September. In Poland, the leader of the Peasant Party, Mikolajczyk, was harried from the political scene and in October 1947 was forced to flee to London. In Hungary, the Soviets had made the mistake of permitting free elections and had lost them to Nagy's Smallholders Party; but they had stipulated that regardless of the

8: Armstrong S-4 (no date) 1951 EF1 Yugoslavia
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665 ticular," and referring to the workers "as the sole guiding force in
565 the country."[*] Nevertheless he seemed slightly on the defensive over the fact that after having had a free hand longer than any other Party in Eastern Europe the Rumanian Communists had only succeeded in forming to date 6,732 coöperatives of all types (consumer as well as producer coöperatives). He stressed that "mass collectivization" must wait on increased industrialization to supply needed farm machinery. And as if to forestall the jibes of Jugoslav Communists he attacked their achievements in collectivization as not only wrong in substance but as having been produced at a wrong tempo.

241 The hope of basing Communist rule on the dominance of the
industrial proletariat over the peasantry seems especially ambitious
[062] in Rumania, where only about five percent of the population are
565 industrial workers and 80 percent are peasants. It is true that agrarian overpopulation exists in Rumania and therefore a gradual shift of some rural elements to city pursuits must occur. The Communist expropriations failed (as the Communists had expected) to solve the agrarian problem because the properties still remaining undivided were insufficient to supply all landless peasants with land or to give those receiving land sufficient acreage to make them self-supporting. Mechanization of agriculture, so much emphasized in the satellite countries, will not solve the problem but will merely aggravate it by increasing the peasant's dependence on a single crop marketed under strict state control. The solution is to raise the standard of living of the peasants. This could be done by improving seeds and livestock, diversifying crops, developing home industries, improving methods of marketing, building roads, providing facilities for local food processing to avoid wastage, and consolidating separated family strips of land into efficient farming units. As rural living standards rise productivity would increase, and this would permit concurrent rises in the living standards of the industrial workers. These objective facts of the Rumanian economic structure rule out any other procedure unless it is frankly based on injustice and is indifferent to human unhappiness on a tremendous scale.

The Communists cannot, however, favor a program like the one

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[*] *For a Lasting Peace, for a People's Democracy!*, Bucharest, August 1, 1949.

8: Armstrong S-4 (no date) 1951 EF1 Yugoslavia
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outlined. In the first place it would be slow and costly to carry out. 241
Secondly, it would call for skills which Communist régimes do not 565
possess and foreign scientific information which they boast of despising. Thirdly, they in principle oppose measures for improving small-peasant agriculture, for if they succeeded the peasants would merely become more independent and recalcitrant. They therefore prefer to favor industry and neglect agriculture,[7] calculating that misery on the farms will make the peasants more amenable to collectivization or force them into great slave-labor projects like the Danube-Black Sea canal. In any case, they have not cast Rumania to play an agricultural rôle in the family of Sovietized states. Nature did so, but they are going to improve on nature.

In Stalin's original plans Jugoslavia and probably Bulgaria were 185
destined to remain agricultural in the main and to supply the other 135
members of the family with raw materials. Rumania, although so heavily agricultural, was to be largely industrialized. The reason for this arbitrary allotment of functions is not entirely clear. Rumania has oil and timber, as well as reserves of soft coal and natural gas in Transylvania, all of which can be developed without running counter to economic law. She also has a large reservoir of unskilled labor. But otherwise she is not adapted by natural resources and native skills to proceed with very speedy or very extensive industrialization projects, and she seems especially unsuited to becoming a center of heavy industry in view of the scarcity of her metallurgical reserves. In any case, the improvement and development of agricultural production would be the right preliminary to ambitious enlargements of the industrial plant such as are projected in the new Rumanian Five Year Plan, to end December 31, 1955.

Ana Pauker has called the new Plan "majestic." Its main purpose, 185
she has written,[8] is "the industrialization of the country . . . on a new, advanced technical basis . . . which will insure the success of the Socialist offensive against the capitalist elements." Industrial output is to be increased twofold, with emphasis on what she called "the Stalin method" of developing heavy industry in particular.

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[7] Of the Rumanian investment program for 1950, 47 percent was allocated for industry, 20 percent for transportation and 9 percent for agriculture.

[8] *For a Lasting Peace, for a People's Democracy!*, Bucharest, August 18, 1950.